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## **INTERNATIONAL RELATIONS**

**MAINS VALUE  
ADDITION MATERIAL**



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# 1. What is Foreign Policy?

A country's foreign policy includes all of the policies it develops to pursue **its national interests as it interacts with other countries.**

A foreign policy is a set of pre-established strategies designed and implemented systematically to secure goals of national interest by managing a country's relationships with other nations

Former National Security Adviser & Foreign Secretary **Shivshankar Menon** defines **Foreign Policy as 'Minimaxing' i.e. minimizing risks and maximizing benefits**

## 1. India's Foreign Policy: Objectives and Principles

India's foreign policy has been guided by certain principles and objectives, which have although undergone certain changes with respect to the changing dynamics of the international politics, but the nucleus has remained unchanged and promises to remain the same in future as well.

- i. The preservation of **India's territorial integrity** and **independence of foreign policy**. The territorial integrity and protection of national boundaries from foreign aggression is the core interest of a nation.
- ii. **Promoting international peace and security** India as a 'newly independent and developing country rightly realized that international peace and development are correlated
- iii. **Economic development of India** is the fundamental requirement since independence. It was also required to strengthen the democracy and freedom in the country back then. Today, it is the bedrock of all other developments.
- iv. Aims to safeguard and **further national interest** in terms of protecting the country's political independence and promoting its external security.
- v. To promote **harmony and cooperation** between the countries that have ideological, political and other differences.
- vi. Leveraging **international partnerships** to promote India's domestic development.
- vii. **Advancing Indian representation and leadership** on matters of global governance.
- viii. **Protecting interests of Indian Diaspora**

## 2. What are the Moral Aspects of India's Foreign Policy?

1. **Panchsheel (Five Virtues):** They were formally enunciated in the **Agreement on Trade between the Tibet region of China and India** signed on April 29, 1954 and later evolved to act as the basis of conduct of international relations globally.

2. These **Five Principles** are:



3. **Vasudhaiva Kutumbakam (The World is One Family):** It is based on the concept of **Sabka Saath, Sabka Vikas, Sabka Vishwas.**

In other words, India views the entire world community as a single large global family, where members live in harmony, work and grow together, and have trust in one another.

4. **Proactive and Impartial Assistance:** India does not hesitate in promoting democracy wherever potential exists. This is done by proactively providing assistance in **capacity building** and strengthening the **institutions of democracy**, albeit with the explicit consent of the concerned Government. **(Ex. Afghanistan).**
5. **Global Problem Solving Approach:** India advocates a global debate and global consensus on issues of global dimensions such as **world trade regime, climate change, terrorism, intellectual property rights**, global governance, health hazards.

Under the **Vaccine diplomacy initiative**, India exported 60 million doses, half on commercial terms and 10 million as grants.

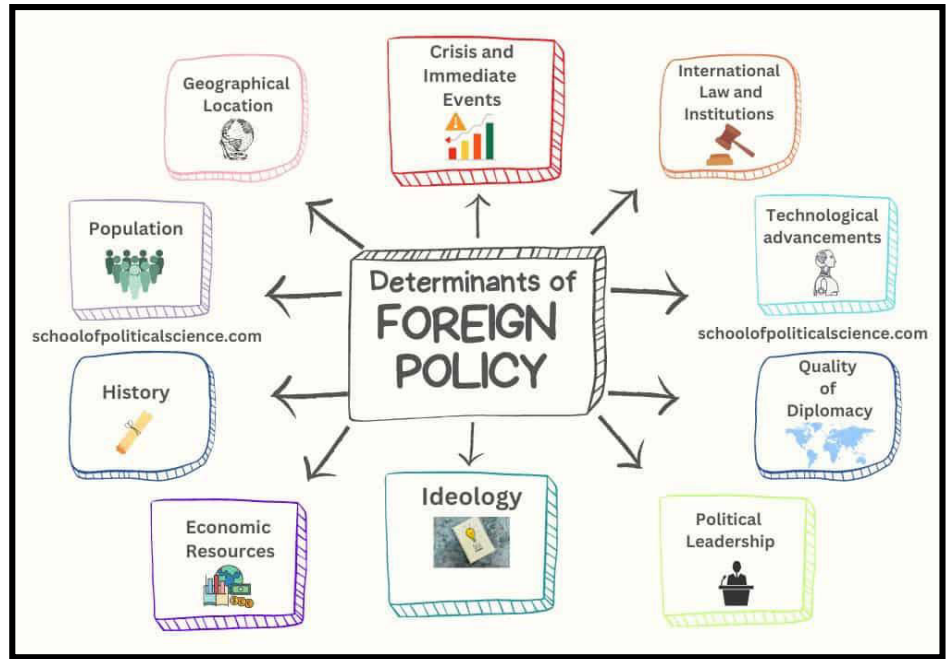
### 3. Determinants Of Foreign Policy

#### Internal/domestic determinants of foreign policy

- History
- National identity and culture
- Political structure of the nation
- Political leadership
- Size and nature of the economy
- Domestic public opinion

#### External/systemic determinants of foreign policy

- International power structure/configuration
- Military strength
- Alliances and coalitions
- Geopolitical location/regional situation
- Global public opinion etc.



As we live in a dynamic world, **India's foreign policy is therefore geared up to be proactive, flexible, and pragmatic** in order to respond quickly to changing situations.

“Our foreign policy is **development-centric and people-centric. A greater “realism” in India’s approach to world affairs can yield greater dividends.** Instead of looking at disruption as a net negative, India should not only engage with such trends but should also try to proactively shape them to the nation’s advantage.” - MEA S Jai Shankar.

## 2. India and its neighbourhood relations

“We share with the international community the objective that a **multi-polar world should have a multi-polar Asia** at its core” – **S. Jaishankar**

“Foreign policy is not about changing mindsets. It is about finding common meeting points.” **PM Modi**

The South Asian region, which is home to eight countries, and the Indian Ocean region (maritime Indian Ocean region; mostly Western Indian Ocean) come under the broad geographic expanse of India’s neighbourhood.

#### a. HISTORICAL OVERVIEW OF INDIA’S NEIGHBOURHOOD

- **British Policy:** British policy towards neighbourhood was dictated by its need to secure its Indian Colony. **British used Nepal, and Afghanistan as buffer states** against Chinese and Russian states respectively. Even in the Indian Ocean region and in West Asia, British control was aimed to ensure the security of Indian borders.
- **Nehru’s Policy Of Panchsheel (1954):**
  - **Nehruvian ‘family approach’:** Nehru viewed India’s neighbours through a broad spectrum and within a broader Asian framework.



- **Family approach:** The 'family approach' propagated the idea of the 'part of one' theory. Because of the British legacy, the focus during the Nehruvian era was primarily on security aspects and not much on economic dimensions such as building developmental projects etc.
- **Gujarat Doctrine (1996):** Beginning in the 1990s, India set out to refashion its foreign policy premises on non-alignment, relations with Western bloc countries, regionalism, and so on, which had a significant impact on India's neighborhood/regional policies. **There are four pillars.**
  - **Non-Reciprocity:** India provides assistance and concessions to smaller neighbours without expecting immediate returns, building trust and goodwill.
  - **No Interference:** India respects the sovereignty of neighbouring countries, refraining from interference in their internal affairs, and fostering peaceful relations.
  - **Resolve Disputes Amicably:** Disputes with neighbours are resolved through peaceful means like negotiations and diplomacy, avoiding escalations.
  - **Comprehensive Regional Cooperation:** India actively engages in regional initiatives to promote economic integration and collaboration, aiming for shared prosperity.
- **Manmohan Doctrine:** It was focused on **creating Economic Interdependence through enhanced trade relations and regional integration.** However, due to coalition politics, India's relations with Bangladesh and Sri Lanka deteriorated.

## b. NEIGHBOURHOOD FIRST POLICY

The "Neighbourhood First" policy **aims to foster stability and prosperity through mutually beneficial, people-oriented regional frameworks.** It prioritizes engagement with neighbouring countries using a consultative, non-reciprocal, and outcome-oriented approach

### ● 4 Pillars of Policy

- Diplomatic and political priority to neighbourhood
- Active support for the development of these countries
- Greater connectivity and integration in the region.
- Promote India-led regionalism where neighbours are comfortable.

### ● Determinants Of Neighbourhood First Policy:

- **Economic Cooperation:** Engaging in the BBIN energy development grouping, including motor vehicles, waterpower management, and inter-grid connection.  
**Example: Bangladesh-Bhutan-India-Nepal (BBIN) initiative for regional energy cooperation.**
- **Strategic Location Advantage:** Leveraging India's central position in South Asia and the Western Indian Ocean.  
**Example:** India's geographical location provides it with influence and control in the region.
- **Balancing Policy Approach:** Formulating foreign policy based on balancing and domestic factors.  
**Example:** India's foreign policy is influenced by how countries like Pakistan and China handle their relationships with superpowers.
- **Regional Diplomacy and Discourse:** Energizing regional diplomacy by connecting with nearby countries.  
**Example:** India's efforts to make the functioning of SAARC viable.
- **Bilateral Issue Resolution:** Emphasizing mutual agreements to resolve bilateral concerns.  
**Example:** India and Bangladesh signed an agreement to implement **the Land Boundary Agreement (LBA).**
- **Connectivity and Cooperation:** Sign MOUs with SAARC members to enhance regional connectivity.  
**Example:** India's MOUs with South Asian countries to foster cooperation and connectivity.
- **Disaster Management and Humanitarian Aid:** Providing disaster response cooperation, resource management, and aid.  
**Examples:** India's significant aid to neighbouring Nepal after the 2016 earthquake and providing relief measures to Afghanistan after the Taliban takeover in 2022.
- **Military and Defence Cooperation:** Strengthening regional security through military cooperation.  
**Examples:** Joint exercises like **Surya Kiran with Nepal and Sampriti** with Bangladesh, along with India's commitment to supporting Afghan National Army's capacity building.
- **Technological Collaboration:** Prioritizing technological cooperation in the region.  
**Example:** Construction of a specialized SAARC satellite to facilitate technology-sharing in areas like telemedicine and e-learning.

- **Capacity Building and Training:** Supporting the capacity building of the Afghan National Army through training.  
**Example:** India's commitment to enhance the capabilities of the Afghan National Army.
- **POSITIVE ASPECTS OF THE POLICY:**
  - **India's Munroe Doctrine: Changing the "Big Brother" Image. The "Neighbourhood First" policy aims for non-reciprocal, consultative, and cooperative development assistance to neighbours.**
  - **Sub-Regional Cooperation: BBIN and BIMSTEC**
    - Initiatives like **BBIN** and **BIMSTEC** promote sub-regional cooperation.
    - Former Sri Lankan PM Ranil Wickremesinghe suggests an **Economic Integration Roadmap** for sub-regional collaboration.
  - **Emergency Response: SAARC Assistance and Operations**
    - SAARC assistance fund and operations like **Sanjeevani and Neer** provide support during emergencies.
    - Medical assistance is offered to countries, such as aiding the Maldives during a water crisis.
  - **Enhancing Connectivity: Infrastructure Projects**
    - Projects like **Sagarmala**, the greater male connectivity project in Maldives, **BBIN**, and **Kaladan** project enhance connectivity.
  - **Maritime Security: India as a Net Security Provider**
    - India assumes the role of a **Net Security Provider** in the Indian Ocean region.
    - **PM Modi's vision of SAGAR** promotes security and growth for all.
  - **Developmental Assistance:** Community and Quick Impact Projects. High Impact Community Development Projects and Quick Impact projects facilitate developmental assistance.
  - **COVID-19 Assistance:** Assisting neighbouring countries during the COVID-19 pandemic. The establishment of the SAARC COVID-19 Emergency Fund and operations like **Sanjeevani and Neer** have facilitated medical assistance, sharing of expertise, and supply of vaccines, highlighting India's commitment to regional solidarity
- **CHALLENGES:**
  - **Rising Chinese footprint:** For example, **China's Belt and road initiative (BRI)** projects in countries like Pakistan, Sri Lanka, and the Maldives have raised concerns about debt sustainability and potential implications for regional security.
  - **Border and river water disputes:** For example, the **border conflict between India and Nepal in 2020 over the Kalapani-Lipulekh area** strained bilateral ties, leading to a deterioration in cooperation and trust between the two countries. **The recent standoff between India and China in Doklam and Galwan Valley has resulted in a trust deficit.**
  - **Domestic politics:** Examples, the Tamil issue in Sri Lanka, the **Teesta water-sharing issue with Bangladesh, the Rohingya issue and internal coup in Myanmar, and Taliban-led Afghanistan** have all had an impact on India's relations with these countries, making it difficult to maintain a seamless implementation of the neighbourhood first policy
  - **Failure of SAARC:** For instance, the postponement and rescheduling of due to strained relations between India and Pakistan have stalled regional cooperation initiatives and hindered the potential for collective development.
  - **Extreme trust deficit** and rise of territorial nationalism: For example, recent border conflict between India-Nepal, India and China border issue in **Galwan and Doklam**
- **WAY FORWARD:**
  - **Enhanced Diplomacy and Engagement:** Increase high-level visits and regular dialogue with neighbouring countries, addressing key issues and concerns.
    - For instance, India can engage in bilateral talks with Pakistan to address security challenges and build trust.
  - **Economic Cooperation and Development:** Promote trade and investment initiatives with neighbouring countries, focusing on mutually beneficial projects.
    - An example is India's collaboration with Bangladesh in the energy sector, such as the **construction of crossborder power transmission lines.**

- **People-to-People Exchange and Cultural Ties:** Encourage cultural exchanges and tourism between India and its neighbours, fostering better understanding.
  - For instance, facilitating easier visa procedures for tourists from Nepal to visit Indian pilgrimage sites like **Kedarnath and Pashupatinath**.
- **Addressing Security Concerns:** Strengthen intelligence-sharing mechanisms and coordinated actions to combat terrorism and cross-border crimes.
  - An example is India's collaboration with Myanmar to address insurgent groups operating along the shared border.
- **Sub-regional and Regional Cooperation:** Deepen sub-regional initiatives like **BBIN and BIMSTEC** to enhance integration and cooperation.
  - For instance, India can collaborate with Bhutan and Bangladesh to promote the seamless movement of goods and people through the development of transit routes and infrastructure.
  - India's Neighbourhood Policy **has had mixed results**. While it has achieved success in areas such as economic cooperation and regional integration, challenges remain in resolving longstanding bilateral disputes and countering China's growing influence in the region. **Sustained efforts, proactive diplomacy, and addressing the concerns of neighbouring countries will be crucial for the policy's effectiveness in the future.**

### c. DATA AND FACTS PERTAINING TO INDIA'S NEIGHBOURHOOD

- **India-Pakistan:**
  - Following **the Pulwama terror incident on 15 February 2019**, India revoked Pakistan's Most Favoured Nation (MFN) status.
  - In 2022, India's exports to Pakistan were valued at US\$629.46 million, according to the **United Nations COMTRADE database on international trade**.
  - From 1991 to 2023, India's exports to Pakistan averaged 4.17 INR Billion, with a high of 24.51 INR Billion in December 2010 and a low of 0.03 INR Billion in October 1994.
- **India-Bangladesh:**
  - According to a report by India Brand Equity Foundation, **Bangladesh is India's biggest trading partner in the subcontinent, and India is the second biggest export partner** accounting for 12% of the total exports to Bangladesh.
  - The **total trade turnover in 2021-2022 touched US\$18.2 billion**.
  - **India's exports to Bangladesh in 2022 were valued at US\$13.83 billion**, with cotton, cereals, machinery, nuclear reactors, boilers, organic chemicals, and residues, wastes of the food industry, animal fodder being the major principal commodities exported from India to Bangladesh.
  - Bangladesh's exports to India in 2021 were valued at US\$191 million, with non-knit men's suits being the major exported item.
- **India-Nepal:**
  - **India is Nepal's largest trading partner**, with bilateral trade totaling NPR 976.78 billion in the last eleven months of fiscal year 2020-21, with imports from India totaling NPR 886.59 billion and exports to India totaling NPR 90.19 billion.
  - According to the United Nations COMTRADE database on international trade, India's exports to Nepal were valued at US\$8.53 billion in 2022.
  - **The major commodities exported from India to Nepal include mineral fuels, oils, distillation products, cereals, vehicles other than railway, tramways, plastics, articles of iron or steel, vegetables that are edible, and specific roots and tubers.**
- **Indian-China:**
  - In 2022, India's exports to China were valued at US\$19.8 billion, while its imports from China were valued at US\$52.1 billion.
  - The major commodities exported from India to China include **ores, slag, and ash, organic chemicals, cotton, copper, and mineral fuels, oils, distillation products**.



- On the other hand, the major commodities imported by India from China include **electronic equipment, machinery, organic chemicals, plastics, and iron and steel.**
- **India-Bhutan:**
  - **India is Bhutan's largest trading partner.** In 2021-22, the trade between India and Bhutan was recorded at USD 1422 million, accounting for about 80% of Bhutan's total external trade.
  - In 2020, total trade with India was Nu. 94.89 billion (including electricity), accounting for 82% of Bhutan's total external trade, and total trade without electricity was Nu. 67.18 billion, accounting for 77% of Bhutan's total trade.
  - India's exports to Bhutan **include electrical and electronic equipment, lead, products of animal origin, and iron and steel.**
  - In 2022, India's exports to Bhutan were valued at US\$1.02 billion.
- **India-Myanmar:**
  - During the 2021-22 financial year, Myanmar exported goods worth over \$800 million USD to India, with the most exported items being rice, pulses, and other agricultural products.
  - Bilateral trade between India and Myanmar accounted for well over 2 billion USD in the fiscal year 2016–2017.
  - India's exports to Myanmar include **products of animal origin, electrical and electronic equipment, and packaged medicaments.** In 2022, India's exports to Myanmar were valued at US\$765.16 million.
- **India-Maldives:**
  - Growing from modest beginnings, India-Maldives bilateral trade stood at crossed the USD 300 million mark for the first time in 2021, reaching over \$300 million. While India's exports to Maldives during 2006 were worth ₹384 crore, imports were worth less than ₹6 crore.

#### **d. MAJOR CHALLENGES IN INDIA'S NEIGHBOURHOOD RELATIONS**

##### **i. BORDER DISPUTE:**

- **Civilizational State:** India, historically, identifies more as a civilizational state than a territorial **state, which hampers the resolution of boundary disputes due to colonization, difficult terrain, and domestic politics.**
- **Boundary Disputes:** India faces disputes with Pakistan (Kashmir), China (Ladakh, Arunachal Pradesh, Aksai Chin), Sri Lanka (Kachchatheevu island), and Nepal (Kalapani Area).
- **Limited Resolution Success:** India has only successfully resolved boundary issues with Bangladesh and Sri Lanka, resorting to wars with Pakistan and China to address disputes.
- **Security Threats:** Muchkund Dubey, the former foreign secretary, highlights that **India faces security threats from its neighbours, including the spillover of ethnic conflicts, large-scale illegal migration, and the use of neighbouring countries as bases for terrorism directed against India.**

##### **Why are Border Disputes not getting solved?**

- **Historical Legacy:** The complex historical legacy, including the impact of colonization and the drawing of arbitrary borders, has contributed to the persistence of Indian border disputes. **For example, the Kashmir dispute between India and Pakistan stems from the partition of British India in 1947.**
- **Difficult Terrain:** The presence of difficult terrain along India's borders, such as the Himalayan mountain range, makes it challenging to demarcate and administer boundaries. This difficulty is evident in the border dispute between India and China in the mountainous region of Ladakh.
- **Domestic Politics:** Domestic political considerations and public sentiment play a significant role in the resolution of border disputes. Political parties and nationalist sentiments often influence the stance taken by the Indian government. **For instance, the border dispute with China has become a sensitive issue for Indian domestic politics.**

- **Geopolitical Rivalries:** Geopolitical rivalries and strategic interests of other countries in the region can impede the resolution of Indian border disputes. For example, China's close ties with Pakistan have complicated efforts to resolve the Kashmir dispute.
- **Lack of Trust and Communication:** Trust deficit and limited channels of communication between India and its neighbouring countries hinder the resolution of border disputes. The lack of open dialogue and diplomatic channels can lead to misunderstandings and escalation. **The border disputes with Nepal over the Kalapani area** exemplify the challenges arising from trust deficits and communication gaps.

#### Way Forward:

- **Diplomatic Engagement:** Increase diplomatic efforts to engage in sustained dialogue with neighbouring countries, fostering an atmosphere of trust and cooperation.
- **Confidence-Building Measures:** Implement confidence-building measures such as **joint border patrols, cultural exchanges, and people-to-people interactions** to promote mutual understanding and reduce tensions.
- **Regional Cooperation:** Enhance regional cooperation frameworks like SAARC (South Asian Association for Regional Cooperation) to provide a platform for **dialogue and conflict resolution** among member countries.
- **Legal Framework:** Strengthen the legal framework for resolving border disputes through international arbitration or legal mechanisms to ensure a fair and impartial process.
- **Track II Diplomacy:** Encourage Track II diplomacy initiatives involving non-governmental organizations, think tanks, and academics to facilitate informal dialogues and generate alternative solutions to border disputes.

#### ii. RIVER DISPUTES:

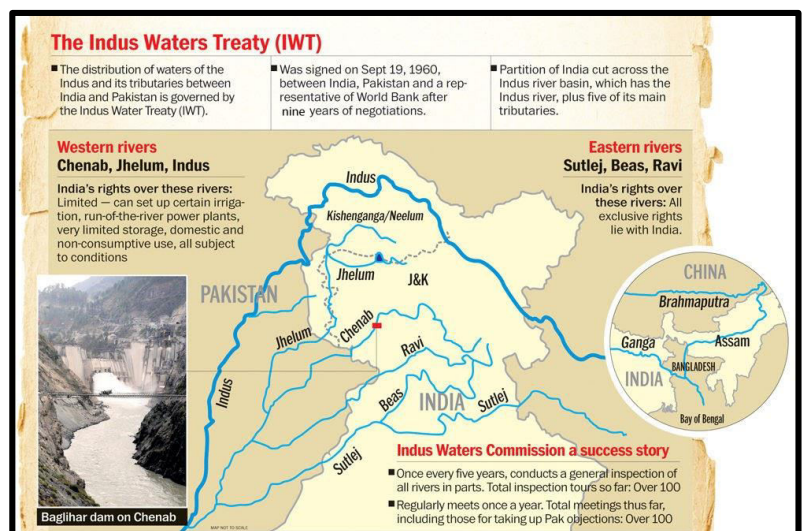
- According to UNEP, by 2030, nearly "half of the world's population will suffer from severe water stress." River disputes will determine India's riparian relations with its neighbours, including **Pakistan, China, Bangladesh, Nepal, and Bhutan.**

#### Brahmaputra River and India-China-Bangladesh Relations:

- **Chinese dams on the Brahmaputra:** China's upstream dams on the Brahmaputra intentionally restrict downstream water flow.
- **Concerns over China's dams:** India and Bangladesh fear that China's dams on the Brahmaputra could allow water diversion during political crises.
- **Indian dams on Teesta:** India's dams on the Teesta River, a Brahmaputra tributary, raise concerns for Bangladesh's water supply during the dry season.
- **Failed agreement on Teesta:** India and Bangladesh couldn't sign a water-sharing agreement for the Teesta River due to opposition from the West Bengal government.
- **India- Nepal: The Kosi River dispute has strained relations between India and Nepal.** Despite the signing of the Kosi Agreement in 1954, talks between the two governments have stagnated, leading to unresolved water rights issues. This has resulted in neglect of the first dam and the failure to establish a partnership for a second dam

#### INDUS WATER TREATY BETWEEN INDIA AND PAKISTAN

- About
  - India and Pakistan signed the IWT in September, 1960 after nine years of negotiations, **with the World Bank being a signatory** to the pact.
  - The treaty sets out a **mechanism for cooperation and information exchange between the two sides** on the use of the water of the Indus River and its five



tributaries **Sutlej, Beas, Ravi, Jhelum, and Chenab.**

#### **Key Provisions:**

- **Water Sharing:**
  - The treaty prescribed **how water from the six rivers of the Indus River System would be shared between India and Pakistan.**
  - **It allocated the three western rivers—Indus, Chenab and Jhelum—to Pakistan** for unrestricted use, barring certain non-consumptive, agricultural and domestic uses by India and **the three Eastern rivers—Ravi, Beas and Sutlej—were allocated to India** for unrestricted usage.
  - This means that **80% of the share of water went to Pakistan**, while leaving the rest **20% of water for use by India.**
- **Permanent Indus Commission:**
  - It also required both the countries to establish a **Permanent Indus Commission** constituted by permanent commissioners on both sides.
  - According to the provisions **of the IWT**, the Permanent Indus Commission is required to meet **at least once a year.**
- **Rights over Rivers:**
  - While Pakistan has rights over the waters of Jhelum, Chenab and Indus, **Annexure C of the IWT allows India certain agricultural uses, while Annexure D allows it to build ‘run of the river’ hydropower projects**, meaning projects not requiring live storage of water.
- **Dispute Resolution Mechanism:**
  - The IWT provides a three-step dispute resolution mechanism under **Article IX of the Indus Waters Treaty**, under which “questions” on both sides **can be resolved at the Permanent Commission**, or can also be taken up at the inter-government level.
  - In case of unresolved questions or “differences” between the countries on water-sharing, such as technical differences, either side can approach the **World Bank to appoint a Neutral Expert (NE)** to come to a decision.
  - And eventually, if either party is not satisfied with the NE’s decision or in case of “disputes” in the interpretation and extent of the treaty, matters can be referred to a **Court of Arbitration.**
    - **The dispute redressal mechanism provided under Article IX of the IWT is a graded mechanism. It’s a 3-level mechanism:**
- **First Commissioner:** Whenever India plans to start a project, under the Indus Water Treaty, it has to inform Pakistan that it is planning to build a project.
  - Pakistan might oppose it and ask for more details. That would mean there is a **question that question has to be clarified between the two sides at the level of the Indus Commissioners.**
- **Neutral Expert:** If that difference is not resolved by them, then the level is raised. The **question then becomes a difference.** That difference is to be resolved by another set mechanism, which is the Neutral Expert.
  - It is at this stage that the **World Bank comes into the picture.**
- **The Court of Arbitration:** In case the Neutral Expert says that they are not able to resolve the difference, or that the issue needs an interpretation of the Treaty, then **that difference becomes a dispute. It then goes to the third stage — the Court of Arbitration.**

#### **CURRENT SITUATION:**

- **Despite having favourable provisions:** Pakistan has demanded revision of the treaty.
- **Resentment in India:** There is also resentment in India as it conceded 80% of its water to Pakistan and there is a demand to revise the treaty.
- **Azad Pattan:** India has protested against the construction of Azad Pattan: **PoK Hydel Project in PoK and Gilgit Baltistan, which are territories claimed by India as part of Jammu & Kashmir**
- In 2015, Pakistan asked that a **Neutral Expert should be appointed to examine its technical objections to the Kishanganga and Ratle HEPs.** But the following year, Pakistan unilaterally retracted this request, and proposed that a Court of Arbitration should adjudicate on its objections.
- In August 2016, Pakistan had approached **the World Bank seeking the constitution of a Court of Arbitration under the relevant dispute redressal provisions of the Treaty.**

- Instead of responding to Pakistan's request for a Court of Arbitration, India moved a separate application asking for the appointment of a Neutral Expert.
  - India had argued that Pakistan's request for a Court of Arbitration violated the graded mechanism of dispute resolution in the Treaty.
- In March 2022, the World Bank decided to resume the process of appointing a Neutral Expert and a Chairman for the Court of Arbitration.
- **India has issued a notice to Pakistan seeking a review and modification of the Indus Waters Treaty (IWT) citing Pakistan's "intransigence" in resolving disputes over the Kishanganga and Ratle (on Chenab River) hydropower projects, both in Jammu and Kashmir.**
  - The notice was sent after the "contravention of the graded mechanism of dispute settlement envisaged by Article IX of the IWT."

#### What is Kishanganga Hydroelectric Project?

- The Kishanganga project is **located 5 km north of Bandipore in Jammu and Kashmir, India.**
- It is a **run-of-the-river project** that includes a 37 m tall concrete-face rock-fill dam.
- It **requires to divert water from the Kishanganga River** through a tunnel to a power plant in the Jhelum River basin.
- It will have an **installed capacity of 330 MW.**
- The construction of this hydroelectric project began in 2007.
- Pakistan objected to the project arguing that it will affect the flow of the Kishanganga River (called the Neelum River in Pakistan).
- In 2013, **The Hague's Permanent Court of Arbitration (CoA) ruled that India could divert all the water with certain conditions.**

#### Way Forward:

- **Enhanced dialogue and cooperation:** Promote regular and meaningful dialogue among India and its neighbours for resolving river disputes and collaborating on joint river management projects.
  - **Example:** The Indus Waters Treaty between India and Pakistan, facilitating cooperation on the sharing of Indus River waters.
- **Utilization of international forums:** Seek mediation and resolution of disputes through international platforms like the UN and SAARC.
  - **Example:** Bhutan and Bangladesh seeking mediation from the World Bank for resolving the Teesta River dispute with India.
- **Implementing sustainable water-sharing agreements:** Establish fair and scientific water-sharing agreements to ensure sustainable utilization of shared river resources.
  - **Example:** The Ganges Water Sharing Treaty between India and Bangladesh, ensuring the fair distribution of Ganges River waters.
- **Investing in water management infrastructure:** Develop robust infrastructure for efficient water utilization and minimize conflicts through dams, reservoirs, and irrigation systems.
  - **Example:** Construction of the Farakka Barrage by India to manage the flow of the Ganges River.
- **Environmental conservation and cooperation:** Foster joint efforts for conservation and sustainable management of water resources to reduce conflicts and promote goodwill.
  - **Example:** Nepal, India, and Bangladesh collaborating on the sustainable management of the Mahakali River Basin through the Mahakali Treaty.

#### iii. TRADE BARRIERS:

- South Asia remains one of the least economically integrated regions globally, **with protectionist policies, high logistics costs, a lack of political will, and a trust deficit hindering trade growth.** While India's trade volume with its neighbours has increased, it has remained relatively low, accounting for only 1.7%-3.8% of the global total.

#### Reasons for Low Trade:

- **Historical factors:** India's adoption of a **socialist economic model and policy of import substitution**, along with domestic instability in neighbouring countries, have contributed to trade barriers in the region.
- **Connectivity challenges:** Difficult terrain, underdeveloped inland waterways, and inadequate border infrastructure have hindered trade and economic integration among India and its neighbours.
- **Ineffective regional organizations:** SAARC's failure due to the India-Pakistan conflict and the limited effectiveness of SAPTA and SAFTA have impeded regional trade cooperation.
- **Bilateral conflicts:** Border disputes, river water disputes, and past conflicts between India and Pakistan have negatively impacted regional integration and trade.
- **Economic non-complementarity:** Limited diversification and overlap in export markets, particularly in textile and apparel exports, have hindered mutual trade benefits among South Asian countries.
- **Lack of political will:** The primary focus on nation-building, security, and defence has led to a lack of prioritization and commitment to regional trade integration.

#### Way Forward:

- **Re-evaluating FTAs:** Strengthen regional agreements, like **BIMSTEC and India-Sri Lanka FTA**.
- **Eliminating NTBs:** Remove import barriers, and subsidies, and implement online mechanisms for resolving trade barriers.
- **Enhancing Cross-border Infrastructure:** Improve roads, air, rail links, and Integrated Check-Posts (ICPs).
- **Adopting Global Best Practices:** Learn from successful models, like Sub-Saharan Africa's online mechanism.
- **Political Will:** Overcome protectionism, and prioritize long-term trade interests.

To overcome trade barriers in South Asia, particularly in India, it is **crucial to prioritize regional cooperation, promote dialogue, and adopt proactive measures such as revisiting free trade agreements, eliminating non-tariff barriers, enhancing cross-border infrastructure, and adopting global best practices**. By doing so, the region can unlock the immense potential for trade and economic growth, fostering greater integration and prosperity for all nations involved.

#### e. RISING CHINESE FOOTPRINT

India's unique geographic position in South Asia and China's growing interest in the region, particularly in Afghanistan, raise geopolitical concerns. China aims to integrate Afghanistan into its Belt and Road Initiative but faces complexities due to its connections with different factions and the Uighur issue. The stability of the region and China's economic investments will impact India and other regional players.

#### Implications For India:

- **Strategic competition:** An example of strategic competition between India and China is the border dispute in the **Himalayan region of Ladakh**. China's assertive actions, such as the 2020 border clash in the **Galwan Valley**, **highlight the ongoing tensions and competition for control over disputed territories**.
- **Economic competition:** China's investments in infrastructure projects in countries like Pakistan, Sri Lanka, and Bangladesh can create economic competition for India.
  - For instance, the **China-Pakistan Economic Corridor (CPEC) has the potential to divert trade and investment away from India** and give China greater economic leverage in the region.
- **Security concerns:** China's military presence in the Indian Ocean, including **naval deployments and the establishment of military bases in countries like Djibouti**, **raises security concerns for India**. It increases the scope of China's power projection capabilities and potentially encroaches on India's traditional sphere of influence.
- **Regional dynamics:** China's influence in countries like Nepal and the Maldives has been growing, leading to a shift in regional dynamics.
  - For example, China's increasing economic and political ties with Nepal have strained India-Nepal relations, impacting India's influence in its neighbouring country.
- **Balancing act:** India has sought to strengthen partnerships with countries like the United States, Japan, and Australia as a means to balance China's influence. **The formation of the Quadrilateral Security Dialogue (Quad)** between these countries is an example of India's efforts to forge strategic alliances to counterbalance China's rise in the region.

- **China-Pakistan Alliance:** The China-Pakistan Economic Corridor (CPEC) project and its deepening alliance hinder India's efforts to list **Masood Azhar as a terrorist in the United Nations Security Council (UNSC)** and raise concerns about the Kashmir issue.
- **Debt Trap Diplomacy:** China's use of debt trap diplomacy is evident in its acquisition of the Hambantota port in Sri Lanka on a 99-year lease, posing economic and strategic challenges for India.

#### Way Forward:

- **Neighborhood First:** Embracing the Gujaral Doctrine of non-reciprocity, India focuses on strengthening diplomatic and political ties with its neighbouring countries, emphasizing mutual benefits without expecting equivalent returns.
- **Leveraging Quad and Minilaterals:** Collaborating with Quad countries and other mini laterals, India seeks joint implementation of projects to improve connectivity within the region, promoting economic growth and cooperation.
- **Accelerating Project Completion:** Ensuring the swift completion of key projects, such as **hydropower projects in Nepal and Bhutan, as well as the Kaladan Multimodal project**, to enhance regional connectivity and foster economic development.
- **Resolving Boundary and Water Disputes:** Actively engaging in the resolution of boundary and river water disputes to address trust deficits and strengthen relationships with neighbouring countries, fostering stability and cooperation.
- **Revitalizing SAARC:** Reviving the South Asian Association for Regional Cooperation (SAARC) as a platform for **cooperation, dialogue, and regional integration**, facilitating collaboration and addressing everyday challenges.
- **Harnessing Strengths:** Leveraging India's historical and cultural integration with neighbouring countries, acting as a security provider, and providing development assistance to foster closer ties and mutual growth.

#### f. TERRORISM:

##### State-Sponsored Terrorism By Pakistan:

- **Proxy Warfare:** Pakistan has been accused of supporting and using terrorist groups as proxies, such as **Jaish-e-Mohammed (JeM) and Lashkar-e-Taiba (LeT)**, to carry out attacks in the region.
  - A recent example is militants who killed seven civilians of the minority community in twin attacks in Rajouri's Dangri village.
- **Cross-Border Attacks:** Pakistan-based militant groups have been implicated in multiple cross-border attacks against India.
  - In 2020, there were several incidents along the Line of Control (LoC) in Kashmir, including the **Handwara and Poonch attacks**, where Indian security forces thwarted infiltration attempts by militants allegedly supported by Pakistan.
- **Safe Havens:** Pakistan has been accused of providing safe havens to terrorist groups within its borders.
  - **One prominent example is the presence of the Afghan Taliban** and its leadership in Pakistan, which has been a source of concern for Afghanistan and the international community in efforts to achieve peace and stability in the region.
- **Trust Deficit:** Terrorism in the region deepens mistrust and hampers integration, exemplified by the India-Pakistan dispute over Kashmir.
- **Low Levels of Trade:** Terrorism limits economic ties, as seen in India-Pakistan trade restrictions due to security concerns.
- **Fear of Nuclear War:** Terrorism heightens the risk of a nuclear conflict, exemplified by **the 2019 Pulwama attack** escalating tensions between India and Pakistan.
- **Impact on India's Image:** Terrorism affects India's global standing, hindering its rise as a stable and secure power.

#### Way Forward:

- **Enhance Cooperation:** Promote dialogue and diplomatic efforts to address boundary disputes and conflicts, fostering trust-building measures among countries in the region.



- **Strengthen Economic Integration:** Encourage trade liberalization and economic interdependence through regional initiatives, such as the **South Asian Free Trade Area (SAFTA)**, to boost economic ties and reduce dependency on volatile bilateral relations.
- **Counterterrorism Cooperation:** Enhance intelligence sharing, joint counterterrorism operations, and cooperation in tackling extremist ideologies to mitigate the impact of terrorism on regional stability.
- **Nuclear Risk Reduction:** Engage in confidence-building measures and dialogue between India and Pakistan to reduce the risk of nuclear confrontation, including discussions on nuclear doctrine, communication channels, and crisis management mechanisms.
- **Promote Regional Initiatives:** Actively participate in regional forums like **SAARC** (South Asian Association for Regional Cooperation) and **BIMSTEC** (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) to **foster dialogue, cooperation, and regional integration**.

#### g. REGIONAL ORGANISATIONS:

Regional organizations provide platforms for dialogue, cooperation, and coordination to address regional challenges, enhance connectivity, and foster economic integration. Some regional organizations are SAARC, BIMSTEC, IORA, SCO, ASEAN etc.

#### Importance and Significance:

- **Regional coordination:** Regional organizations facilitate coordination among member countries, promoting cooperation and collaboration on regional issues.
  - **Example:** ASEAN's coordination efforts during the Rohingya refugee crisis.
- **Economic integration:** Regional organizations play a key role in promoting economic integration, trade liberalization, and investment facilitation among member countries.
  - **Example:** ASEAN Economic Community's initiatives to create a single market and production base.
- **Peace and stability:** Regional organizations contribute to maintaining peace and stability in the region through conflict resolution mechanisms, peacekeeping operations, and preventive diplomacy.
  - **Example:** African Union's peacekeeping missions in countries like Somalia and South Sudan.
- **Collective security:** Regional organizations enhance collective security by fostering defence cooperation, joint military exercises, and information sharing among member states.
  - **Example:** NATO's collective defence measures in response to security threats in Europe.
- **Sustainable development:** Regional organizations prioritize sustainable development and address environmental challenges through shared goals, policies, and cooperation.
  - **Example:** Pacific Islands Forum's initiatives to tackle climate change and promote sustainable development in the Pacific region.
- **Cultural exchange and social cohesion:** Regional organizations promote cultural exchange, social cohesion, and people-to-people interactions through cultural events, educational programs, and tourism initiatives.
  - **Example:** Association of Caribbean States' cultural exchange programs to promote Caribbean heritage and identity.

#### Way Forward:

- **Learning from ASEAN: Importance of Continuing Discussion and Negotiations**
  - ASEAN countries' commitment to engagement and dialogue, even with nations under military rule, highlights the significance of ongoing discussions for regional cooperation and stability.
  - **Example:** ASEAN's continued engagement with Myanmar despite its military junta.
- **Alternative Arrangement: BIMSTEC as a New SAARC Minus Pakistan**
  - BIMSTEC can **serve as an alternative regional organization for South Asian cooperation**, excluding Pakistan, to overcome the challenges faced by SAARC.
  - **Example:** BIMSTEC's focus on enhancing regional connectivity and cooperation among member countries.
- **Leadership by India: Strengthening Regional Organizations**
  - India can provide leadership by allocating more resources and attention to organizations like BIMSTEC, and by offering concessions and assistance to neighbouring countries for capacity building in various sectors.

- **Example:** India's active participation in BIMSTEC and its initiatives in sectors such as healthcare, education, and disaster management

#### **h. PREVIOUS YEAR QUESTIONS**

1. "Increasing cross-border terrorist attacks in India and growing interference in the internal affairs of several memberstates by Pakistan are not conducive for the future of SAARC (South Asian Association for Regional Cooperation)." Explain with suitable examples. **(2016)**
2. Project 'Mausam' is considered a unique foreign policy initiative of the Indian Government to improve relationships with its neighbours. Does the project have a strategic dimension? Discuss. **(2015)**
3. 'China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia', In the light of this statement, discuss its impact on India as her neighbour. **(2013)**
4. What do you understand by 'The String of Pearls'? How does it impact India? Briefly outline the steps taken by India to counter this. **(2013)**
5. What is meant by the Gujral doctrine? Does it have any relevance today? Discuss. **(2013)**

#### **a. India – Pakistan relations:**

The India-Pakistan relationship is one of the most complicated among India's neighbours, but has made significant progress in lowering the "**trust deficit**". India seeks peaceful, amicable, and cooperative relations with Pakistan, which requires the **absence of violence and terror**. The two countries have linguistic, cultural, geographical, and economic ties, but their relationship is complicated due to political and historical factors.

- In 2021, India will export \$535 million to Pakistan.
- India's biggest exports to Pakistan include **vaccines, blood, antisera, toxins, and cultures** (\$172 million), raw sugar (\$119 million), and nitrogen heterocyclic compounds (\$46.8 million).
- India's exports to Pakistan have climbed at an annualised rate of 7.76% during the last 26 years, from \$76.5M in 1995 to \$535M in 2021.

#### **a. KEY ISSUES IN INDIA-PAKISTAN:**

The India Pakistan relations are one of the most complex associations that India shares with any of its neighbouring countries. In spite of the many contentious issues, **India and Pakistan have made major strides in reducing the "trust deficit" over the past few years.**

India desires peaceful, friendly and cooperative relations with Pakistan, which requires an environment free from violence and terror. The two countries share linguistic, cultural, geographical and economic links but due to political and historical reasons, the two share a complex relation.

#### **India-Pakistan Relations – Latest Developments**

**In February 2021, India and Pakistan issued a joint statement for the first time in years, announcing that they would observe the 2003 ceasefire along the Line of Control (LoC).** The countries have agreed to a strict observance of all agreements, understandings and cease firing along the Line of Control (LoC) and all other sectors with effect from the midnight of February 24-25, 2021.

- In the latest bilateral brief between India and Pakistan (February 2020) **India stands by its "Neighbourhood First Policy"** and desires normal relations with Pakistan in an environment which is **free of terror and violence.**
- **In 2019, Article 370 of India's Constitution, was scrapped off,** which gave a special status to Jammu and Kashmir. Following which, the bilateral relations faced a severe blow. It was **followed by Pakistan expelling the Indian High Commissioner in Islamabad and suspension of air and land links, and trade and railway services.**
- There was no forward movement in bilateral ties in 2020 due to the mistrust between the two countries, especially on the Kashmir issue.
- India, on **February 15, 2019, withdrew Most Favoured Nation Status to Pakistan**

#### **A Brief Background of India-Pakistan Relations**

Ever since India's independence and the partition of the two countries, India and Pakistan have had sour relations. Discussed below is a brief timeline of the relations between the two countries:

- **The Composite Dialogue between India and Pakistan from 2004 to 2008** addressed all outstanding issues. It had completed four rounds and the fifth round was in progress when it was paused in the wake of the Mumbai terrorist attack in November 2008.
- **Then again in April 2010, then Prime Minister Manmohan Singh and Pakistani PM Yousuf Raza Gillani** on the margins of the SAARC Summit, spoke about the willingness to resolve the issue and resume the bilateral dialogue.
- **In 2011, after a meeting between the Foreign Ministers of both the countries**, the bilateral ties were resumed on issues including:
  - Counterterrorism & Humanitarian issues
  - Economic issues at Commerce
  - Tulbul Navigation Project at Water Resources Secretary-level
  - Siachen at Defence Secretary-level
  - Peace & Security including Confidence Building Measures (CBMs)
  - Jammu & Kashmir
  - Promotion of Friendly Exchanges at the level of the Foreign Secretaries.
- **Cross LoC travel was started in 2005 and trade across J&K was initiated in 2009**
- India and Pakistan signed a visa agreement in 2012 leading to liberalization of bilateral visa regimes between the two countries

### Conflict Zones between India and Pakistan

There have been a few constant factors which have led to the complex bilateral ties between the two countries. Discussed below are these factors as per the latest developments released by the Government authorities, as of February 2020:

#### Cross-border Terrorism

- Terrorism emanating from territories under Pakistan's control remains a core concern in bilateral relations
- India has consistently stressed the need for Pakistan to take **credible, irreversible and verifiable action to end cross border terrorism against India**
- Pakistan has yet not brought the perpetrators of Mumbai terror attacks 2008 to justice in the ongoing trials, even after all the evidence have been provided to them
- India has firmly stated that it will not tolerate and compromise on issues regarding the national security
- Based on attacks in India and involvement of the neighbouring country, the **Indian Army had conducted surgical strike at various terrorist launch pads across the Line of Control**, as an answer to the attack at the army camp in Uri, Jammu and Kashmir
- India had again hit back over the cross border terror attack on the convey of Indian security forces in Pulwama by carrying out a successful air strike at a training camp of **JeM in Balakot, Pakistan**

**Cross border terrorism is one of the biggest factors for the disrupted relations between India and Pakistan.**

The trade agreement has also faced a downfall when it comes to the relations between India and Pakistan.

**In 2019, after the Pulwama terror attack, India hiked customs duty on exports from Pakistan to 200% and subsequently, Pakistan suspended bilateral trade with India on August 7, 2019.**

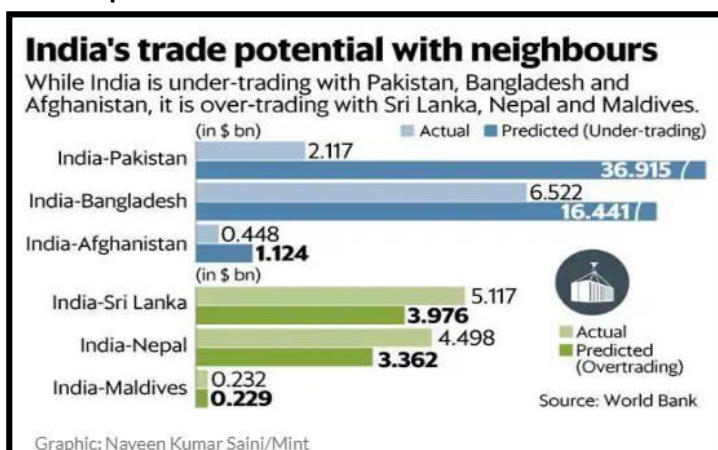
**There are two major routes via which trade is commenced between the two countries:**

1. **Sea Route** – Mumbai to Karachi
2. **Land Route** – via Wagah Border through trucks

#### Indus Waters Treaty ( Discussed earlier)

#### People to People Relations

- Since 2014, India has been successful in the repatriation of 2133 Indians from Pakistan's custody (including fishermen), and still, about 275 Indians are believed to be in their custody



- In October 2017, the revival of Joint Judicial Committee was proposed by India and accepted by Pakistan, wherein, the humanitarian issues of custody of fishermen and prisoners, especially the ones who are mentally not sound in each other's custody need to be followed
- The **Bilateral Protocol on Visits to Religious Shrines** was signed between the two countries in 1974. The protocol provides for **three Hindu pilgrimage and four Sikh pilgrimage** every year to visit 15 shrines in Pakistan while **five Pakistan pilgrimage visit shrines in India**.

#### Kartarpur Corridor

- An agreement between India and Pakistan for the facilitation of pilgrims to visit **Gurdwara Darbar Sahib Kartarpur, Pakistan, was signed on 24 October 2019** in order to fulfil the long-standing demand of the pilgrims to have easy and smooth access to the holy Gurudwara
- The Kartarpur Sahib Corridor Agreement, inter alia, provides for **visa-free travel of Indian pilgrims as well as Overseas Citizen of India (OCI) cardholders, from India to the holy Gurudwara in Pakistan** on a daily basis, throughout the year.
- On November 9, 2019, on the occasion of the 550th birth anniversary of Guru Nanak Dev ji, Prime Minister Narendra Modi inaugurated the corridor

#### Kashmir Issue

This is one of the most sensitive issues between India and Pakistan and has been a major cause of the sour relations the two countries share. **Article 370 gave Jammu and Kashmir a special right to have its own constitution, a separate flag and have their own rules, but in August 2019, the Article was scrapped off and J&K now abides by the Indian Constitution common for all.** It was given the status of a Union Territory and this move of the Indian Government was highly objected by Pakistan due to their longing of owning Kashmir entirely.

#### List of Products traded with Pakistan:

##### b. IMPACT OF US WITHDRAWAL FROM AFGHANISTAN:

- **Return of the Taliban:** India and other neighbouring nations will have to deal with the implications of the Taliban's triumphant return to power in Afghanistan, as well as an increase in violent religious extremism across the region.
- **Trans-border contacts:** Between the Taliban and other extremist forces in the region are also a concern.
- **Withdrawal of US soldiers:** It could create a breeding ground for numerous anti-India terrorist organisations such as **Lashkar-e-Taiba and Jaish-e-Mohammed**.
- **Undermining India's Role in Afghanistan:** The withdrawal of the United States from Afghanistan offers significant problems to the Indian Subcontinent.
- **Extremist forces in check:** For India, an American military presence would have held extremist forces in check and established favourable conditions for an Indian participation in Afghanistan.
- **Reduce interest in the region:** Because Afghanistan is the entrance to Central Asia, the US withdrawal may reduce India's interest in the region



### Way forward:

- **Talk based on UFA agreement:** The start of bilateral talks between India and Pakistan based on the "UFA" agreement will add new dimensions to diplomatic contacts by **battling terrorism, liberating fishermen, meeting military personnel, and increasing religious tourism.**
- **Mix of soft and hard power:** To increase bilateral interactions between India and Pakistan, a perfect mix of soft and hard power diplomacy, together with international diplomacy, is required.
- **International Pressure:** International organisations can be used to exert pressure on Pakistan to carry out antiterrorist activities, such as the **inclusion of Pakistan on the FATF Grey list**, which makes it more difficult for its government to access international markets at a time when its economy is faltering.
- **Tackling Jaish-e-Mohammed:** The classification of Masood Azhar as a global terrorist by the United Nations will increase pressure on Pakistan to freeze its assets and weaken the existence of the Jaish-e-Mohammed-based organisation, which is responsible for several attacks on Indian army bases.

Despite having the potential for rapid economic growth and development, South Asia has been unable to make headway. This is due primarily to disputes and tensions between India and Pakistan. Improved India-Pakistan ties can ensure that any potential threat to the subcontinent is addressed. Cooperation and cooperation based on trust can enable the building of a successful and peaceful South Asia

### c. PAKISTAN'S CRUMBLING ECONOMY AND ITS IMPACT ON INDIA:

Recently, Pakistan secured a \$6-billion bailout loan from the International Monetary Fund (IMF) to be disbursed over 39 months due to its economic crisis.

#### Current State of the Pakistan Economy

- **Current Account Deficit:** Pakistan faced a significant current account deficit, largely due to an expanding trade deficit.
- **Trade Deficit:** Imports were rising, especially under CPEC projects, while exports remained stagnant.
- **External Debt:** Government external debt increased from \$64.1 billion in June 2018 to \$65.8 billion in January 2019.
- **Inflation:** High inflation reached 9.4 percent, driven by rupee depreciation and energy price increases.
- **Fiscal Deficit:** Tax revenue was low at 13 percent of GDP, leading to a fiscal deficit of 2.7 percent of GDP.
- **Weak Governance:** Weak governance and a poorly regulated financial system contributed to the fiscal deficit.
- **Security Challenges:** Ongoing security issues and counter-extremism efforts affected foreign investment and reserves.
- **Reliance on Foreign Assistance:** Pakistan relied on foreign investment and aid, including from the UAE and Saudi Arabia.
- **Need for Economic Development:** Long-term solutions required modernizing the industrial sector and improving competitiveness. Please note that this information reflects the state of the economy as of 2019 and may not represent the current situation, which could have evolved over time.

#### India – Pakistan Bilateral Trade

- Bilateral trade has grown from \$0.34 billion in 2003-05 to \$2.3 billion in 2016-17.
- India's total trade reached approximately \$970 billion in 2018.
- Pakistan's total merchandise trade was about \$78 billion in 2017, with exports worth \$21.5 billion.
- Historically, political tensions disrupted trade between the two countries after partition in 1947.
- In 2011, Pakistan shifted from a 'positive list' to a 'negative list' approach, allowing most imports from India.
- Pakistan did not fully reciprocate India's grant of Most Favored Nation (MFN) status.
- India withdrew the MFN status to Pakistan after the **Pulwama terror attack.**
- India subsequently raised customs duties on Pakistani imports.
- The overall trade volume remains relatively small, with limited impact on Pakistan's total trade.

#### Impact of Pakistan's Economic crisis on India:

- **Chinese Influence:** Pakistan's economic crisis may lead to increased Chinese influence in the region, including South Asia.
- **Historical Context:** Past instances show that Pakistan, with major power support, has taken hostile actions against India during proxy wars.



- **China's Stake**-China's investments in Pakistan make it a stakeholder in regional stability, possibly curbing Pakistan's aggressive actions.
- **Uncertain Outcomes** It's unclear whether the China-Pakistan alliance will lead to more or less anti-India activities, prompting India to reconsider engagement strategies with Pakistan's donors.
- **Lesson on Majoritarianism:** Pakistan's crisis shows the dangers of jingoistic policies and their impact on a nation's social and economic fabric.
- **Neighbor's Stability:** India must assess the impact of Pakistan's economic instability on its own interests and regional stability. Specific dates were not mentioned in the original information.

## Conclusion

India should adopt a **multifaceted approach to deal with a vulnerable Pakistan, particularly regarding economic vulnerabilities**. This approach includes diplomacy and engagement to address regional stability issues, promoting trade and economic cooperation, offering humanitarian assistance when necessary, strengthening border security, diversifying trade partners, enhancing energy security, and investing in India's own economic resilience. Additionally, **India should maintain strong regional alliances, monitor regional developments, and engage with international organizations while promoting soft power and cultural diplomacy to foster goodwill and understanding**. This comprehensive strategy aims to mitigate potential instability and challenges emanating from a vulnerable neighbor.

### d. PREVIOUS YEAR QUESTIONS:

1. "Increasing cross-border terrorist attacks in India and growing interference in the internal affairs of member-states by Pakistan are not conducive for the future of SAARC (South Asian Association for Regional Cooperation)." Explain with suitable examples. **(2016)**
2. Terrorist activities and mutual distrust have clouded India-Pakistan relations. To what extent the use of soft power like sports and cultural exchanges could help generate goodwill between the two countries? Discuss with suitable examples. **(2015)**

## b. India-China Relations:

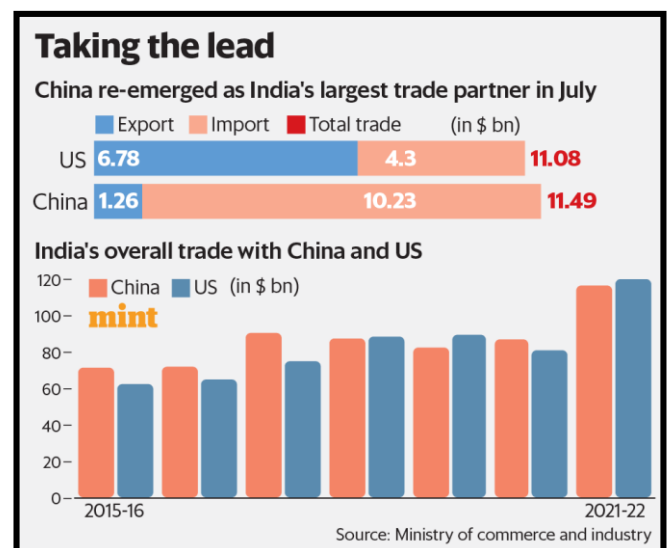
"India Conquered and dominated China culturally for 20 centuries without ever having to send a single soldier across her border." - **Hu Shih**

"China is India's largest foreign policy challenge" - **Shashi Tharoor**

India-China relations are a journey from 'Inch towards Miles'. INCH is 'India-China', while MILES is 'Millennium of Exceptional Synergy'. - **PM Modi**

### a. Trade Relations:

- India's bilateral trade with China reached a record \$135.98 billion in 2022 and trade deficit of more than \$100 billion
- **China is India's second largest trading partner** with our major exports being petroleum products and our major imports being electrical machinery
- China stands at 20<sup>th</sup> position with only 0.43% share in FDI equity inflow into India during April, 2000 to December, 2021
- **Reasons for Rising Trade Deficit:**
  - Growing imports for products like electrical machinery
  - **Low value export:** India's export to China mainly includes primary goods with low monetary value such as iron ore, etc
    - Also, India has a narrow basket of commodities for export
  - **Market Access:** China imposes tax and non-tax barrier for high potential export sector of India such as pharmaceutical, IT/IteS, etc
  - Dumping of products in Indian market at low cost to





capture market

- **Exchange rate policy of China:** It revalued renminbi in relation to the US dollar, which makes export expensive for India
- **Price competitiveness:** Chinese products are cheaper
- **Initiatives taken by India to check trade deficit:**
- **Reducing Imports:**
  - **Protective measures:** Anti-dumping and countervailing duties are being imposed on Chinese products
  - **Atmanirbhar Bharat:** Under this initiative, government is promoting domestic products.
- India did not join the Regional Comprehensive Economic Partnership to protect Indian industry
- **Global Supply Chain Management:** India, Japan and Australia launched the Supply Chain Resilience Initiative
- **Products Ban:** India has banned certain products such as several Chinese applications, power equipments, etc
- **Enhance Exports:**
  - **Production Linked Incentive (PLI) (2020):** Under it, the government provides incentives to Indian companies based on the sales of their products
  - **Make in India (2014):** Its objective is to make India a hub of manufacturing in the world
  - **Promotion of Specific Sector:** In 2020, the Ministry of Commerce and Industry identified 12 sectors – to make India a global supplier and cut import bills
- **Way forward:**
  - **Self-reliant:** The policy needs to be formulated to promote self-reliance in the sphere of electrical, APIs, etc
  - **Market Access:** By using diplomatic channel and soft power, more access to high value export could be provided
  - **Import Substitution:** India can effectively substitute Chinese import by domestic products
  - **Competitiveness of Indian products:** India should enhance the cost-effectiveness of Indian products
- India should formulate strategic policy to reduce the market deficit. Also, it should raise its concerns with China about the skewed trade deficit so that effective steps for market access can be taken

### b. India – China border disputes:

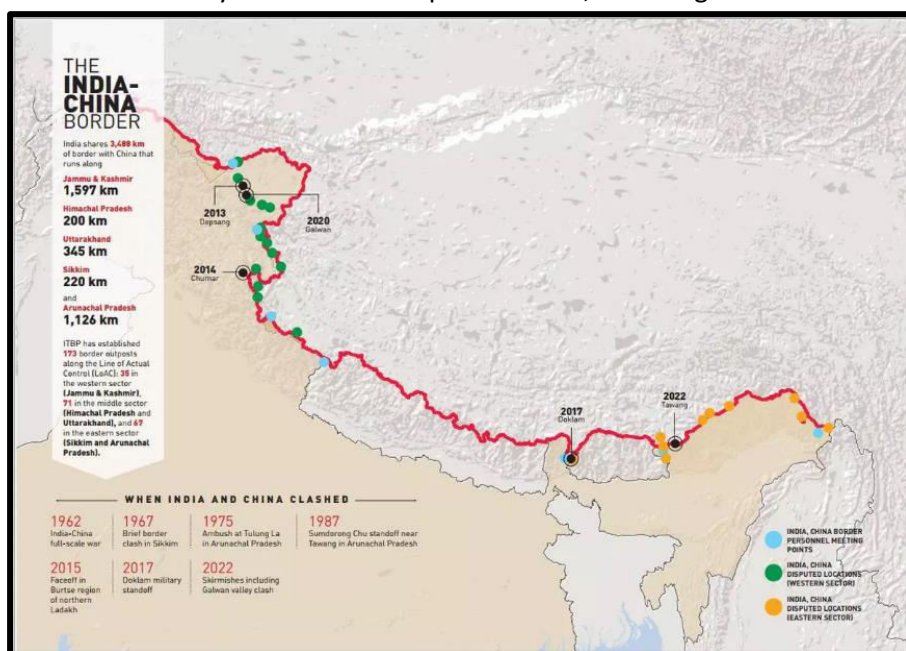
The recent developments in India-China relations have raised concerns about the possibility of a future conflict between the two nations. The **use of Sun Tzu's philosophy of winning without fighting has also been questioned, with others arguing that China is preparing for war.**

India and China's strained relationship has been fueled by recent Chinese provocations, including the **allocation of names to places in Arunachal Pradesh, denial of visas to Indian media personnel, and President's statements on preparing for war.** These events have led to concerns about China's intentions and the need for India to be prepared for any eventualities.

In this context, India's defence preparedness has come under scrutiny, with the Parliamentary Standing Committee on Defence highlighting the need for urgent modernisation of the armed forces.

### What are the Causes of the India-China Conflict?

- **The Dispute:** India-China relations have gone through cycles of conflict and cooperation over nearly 75 years.



- The most serious recent episodes of conflict were in **Galwan Valley in Ladakh in 2020** and in **Tawang in Arunachal Pradesh in 2022**.
- Observers on both sides of the border—the Line of Actual Control (LAC)—agree that the number of serious military confrontations has increased since 2013.
- **No Clear Demarcation:** The border between India and China is **not clearly demarcated throughout** and there is **no mutually agreed Line of Actual Control (LAC)** along certain stretches.
  - LAC came into existence after the **1962 Indo China war**.
  - India-China border is divided into three sectors.
    - **Western Sector** : Ladakh
    - **Middle Sector** : Himachal Pradesh and Uttarakhand
    - **Eastern Sector:** Arunachal Pradesh and Sikkim
- **Partnerships with each other's main enemies**, including the Soviet Union/Russia and the United States, have prevented them from becoming strategic partners and cooperating on strategic matters. India's Neighbourhood First policy, closer ties with the United States and its allies and growing influence in the Indian Ocean region
- **The growing power gap between China and India**, with China's GDP being five times that of India's, has made it difficult for India to be accommodative without appearing to surrender. Recently, China convened a first "China-Indian Ocean Region Forum" to establish a marine disaster prevention and mitigation cooperation mechanism between China and countries in Indian Ocean region except India
- **Infrastructure build-up, particularly in Tibet**, has led to a security dilemma in which military relations go into a spiral that could tempt one side or both to go to war.

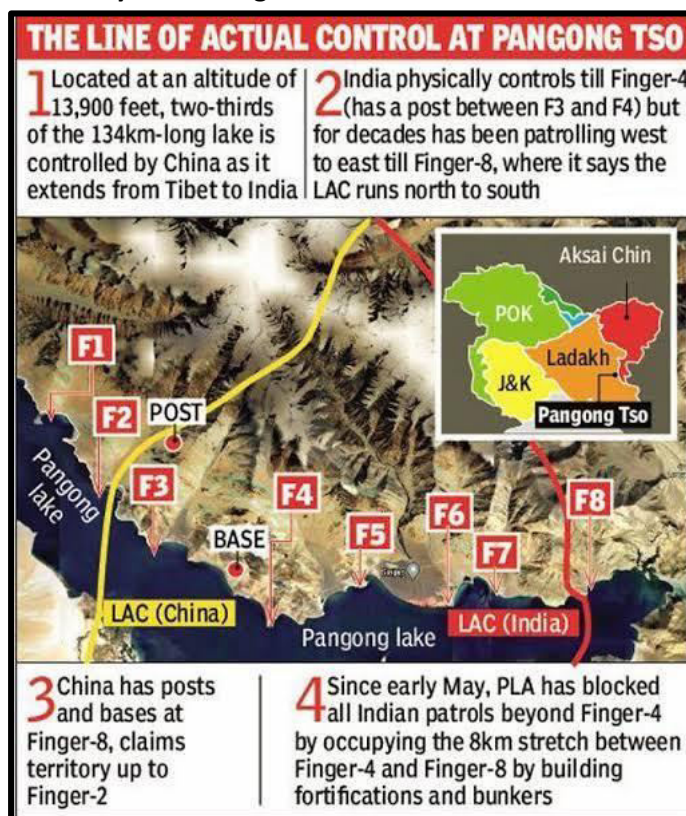


#### What have been the Border Dispute Settlement Mechanisms?

- **The Agreement on the Maintenance of Peace and Tranquility:**
  - It was signed in 1993, which called for a renunciation of the use of force, recognition of the LAC, and the resolution of the border issue through negotiations.
- **The Agreement on Confidence Building Measures in the Military Field along the LAC:**
  - It was signed in 1996, which laid down pledges on non-aggression, prior notification of large troop movements, and exchange of maps to resolve disagreements over the LAC.
- **The Border Defence Co-operation Agreement:**
  - It was signed in 2013 following the Depsang Valley incident

#### What the Parliamentary Standing Committee on Defence's Report Says?

- The **Indian Air Force's deterrent and striking power would be vital** in any India-China conflict.
- The government should consider **buying state-of-the-art fifth-generation fighter aircraft without losing time** to keep the force in a comfortable position.
- **Slow production rate of the Tejas fighter** by Hindustan Aeronautics Limited is adversely affecting the IAF.
  - The **supply of 40 LCA Tejas jets** from Hindustan Aeronautics Limited (HAL) has been considerably **delayed** and needs attention.



- **Urgent need to make up the dwindling squadron numbers through the 114 Multi Role Fighter Aircraft project.**
- Similar observations were made for **hardware procurement for the Indian Army and Indian Navy.**
  - **The Ministry of Defence should make a final decision on having a third aircraft carrier, which would enhance India's maritime capabilities.**
- Committee recommends **allocation for defense should be 3% of GDP** to maintain India's deterrent posture

#### **What Should be the Way Forward?**

- **Diplomatic Engagement:**
  - It is crucial to maintain open channels of communication to avoid any misunderstandings or escalation of tensions.
- **Reassess Defence Acquisition Plans:**
  - India needs to re-evaluate its defence acquisition plans to ensure that they are geared towards long-term sustainability, rather than just possessing capability.
- **Prepare for Potential Conflict:**
  - India needs to prepare for the possibility of conflict with China, particularly given the Chinese President's recent articulations at the National People's Congress.
  - This preparation should involve bolstering India's military capabilities, particularly in the Indian Air Force, Indian Army, and Indian Navy.
- **Allocate Adequate Funds for Defence:**
  - The Parliamentary Standing Committee on Defence has recommended that allocation for defence should be **3% of GDP to maintain India's deterrent posture.**
  - The Indian government should seriously consider this recommendation and allocate sufficient funds for defence, rather than relying on emergency armament purchases from abroad.
- **Emphasize Negotiations from a Position of Strength:**
  - India should adopt a negotiating strategy that emphasizes its strength and power, rather than capitulation.
  - This would involve casting a shadow of power across the bargaining table and making it clear that India is prepared to defend its interests.
- **Border Infrastructure Development:**
  - Development of infrastructure along the border, such as roads and bridges, can help both countries access remote areas and reduce the possibility of any misunderstandings or conflicts

#### **c. India-Taiwan Relations:**

Two Indian MPs attended (virtually) the swearing-in of the Taiwanese President for the first time. Coming in the aftermath of the clashes in the Galwan Valley, it is seen as a change in approach towards Taiwan.

##### **i. ABOUT TAIWAN:**

- The **Communist Party of China (CPC) and the Kuomintang Party escaped to Taiwan in 1949 and established the People's Republic of China.** Initially, Taiwan was recognized as a separate nation by many, but as China progressed, many nations only accorded recognition to the People's Republic of China.
- **Today, 179 out of 193 members of the UN do not maintain diplomatic ties with Taiwan,** and it is not a member of the UN and WHO.
- **Taiwan is today Asia's 5th largest economy, the most populous state and largest economy outside the UN system,** and a global leader in chip manufacturing and IT hardware

##### **ii. HISTORY OF INDIA-TAIWAN RELATIONS:**

- The **One China Policy** states that India does not maintain full diplomatic relations with Taiwan.
- After the end of the Cold War, the policy was reoriented and unofficial relations were set up with the establishment of **the India-Taipei Association in Taipei, Taiwan.**
- The **Taipei Economic and Cultural Centre was also set up in 1995** as Taiwan Government's office in India. The relations are improving with growing trade and cultural linkages.

##### **iii. CURRENT STATE OF INDIA-TAIWAN RELATIONS:**

- **Trade:** Taiwan-India bilateral trade reached an all-time high of US\$7.7 billion in 2021

- **Investment:** Taiwanese companies such as Foxconn have massive investments in India.
- A Bilateral Investment Agreement was also signed in 2018.
- **India as an integral partner of Taiwan:** Strategically, Taiwan's New South-bound policy in its third phase recognizes India as an integral partner. It is in convergence with India's own Act East Policy.
- **Common values:** India and Taiwan share faith in values such as Human Rights, Democracy, the Rule of Law etc.

#### iv. CONCERNS:

- **Constraints of One China Policy:** India-Taiwan ties are limited by the constraints of One China Policy.
- **Improvement in ties with Taiwan displeases China:** Any rapid improvement in ties risks earning the displeasure of China with whom both nations share substantial economic ties.
- **Lower trade with Taiwan:** Trade relations with Taiwan are still under-exploited with India forming just around 1% of Taiwan's total trade.

#### v. WAY FORWARD:

- **Cooperation in the domain of manufacturing:** Taiwanese companies must be encouraged to set up manufacturing facilities in India. India's massive industrial base and cheap labor would complement Taiwan's technical expertise.
- **Cooperation in the domain of healthcare:** Taiwan's response to COVID-19 has earned it global praise. India must seek cooperation with it in the domain of healthcare.
- **Promote tourism:** Tourism, particularly Buddhist heritage tourism, is a potential sector for further cooperation.

#### d. AREAS OF RELATIONSHIP: CONVERGENCE AND DIVERGENCE:

##### i. CONVERGENCE:

- **International Cooperation Organizations:** Both are members of Shanghai Cooperation Organization, East Asia Summit, RIC (Russia India China grouping), BRICS and G-20
- **Trade:** China is among the top 2 trade partners of India and largest in Asia. Bilateral trade is worth over \$80 billion
- **New Economic Order reform:** Both support World Bank and IMF reforms.
- **Support WTO Reform:** And strengthening rules-based multilateral trading order
- **Climate Change:** both support principle of Common but Differentiated Responsibilities
- **Financial Mechanisms:** India and China are prominent stakeholders in AIIB and NDB
- **Energy Security:** Against Asian Premium
- **Cooperation in fighting terrorism:** as both countries face threats from extremist outfits. SCO RATS is a prime example.
- Sustainable Development Goals
- **Coordinate in their development programmes in Afghanistan:** Two countries agreed to coordinate their development programmes in Afghanistan in the areas of health, education and food security.

##### ii. DIVERGENCE:

- **Border issues:** India-China border is unsettled in Aksai Chin, Ladakh, Arunachal and Doklam. The recent military clash in Galwan Valley is widely attributed to this.
- **Geopolitical struggle:** Both are locked in a Geopolitical struggle for domination in Asia and Globe
- **China opposed to UNSC Reform:** Specifically opposed to the demand of permanent seat for India
- **Chinese support to Pakistan:** in matters of Kashmir, Terrorism, Hafiz Sayeed.
- **Massive Trade Imbalance:** India runs its largest trade imbalance with China.
- **Opposes entry into NSG group:** China opposes India's NSG entry
- **BRI and CPEC:** India has concerns over the project running through Pakistan Occupied Kashmir which India claims. Further China seeks to expand its hard and soft power in South Asia and Africa, putting it in conflict with Indian interests (violation of India's territorial integrity).
- **Forays in South Asia:** China has made heavy investments and engaged in strategic-military cooperation with nearly all South Asian nations. It engages in debt trap diplomacy and neo-colonialism to ensure the fulfilment of its strategic interests.



- **Water cooperation:** China refuses to share hydrological data overflow in the Brahmaputra River. Further Chinese aggressive dam-building operations in Brahmaputra can have serious repercussions for India's North East.
- **Dalai Lama:** China protests against Indian asylum to Dalai Lama, the religious head of Tibet.
- **Chinese Aggression:** In Indian Ocean Region and the East China Sea
- **Interference of China in Kashmir issue:** China has called India's moves on Article 370 as altering the status quo ante while India calls it an internal matter.

### iii. INDIA-CHINA COOPERATION

- **Wuhan Consensus (2003):** Recognized that both India and China are factors for stability in the world. They resolved to not let disagreements become disputes.
- **Border agreements:**
  - 1993 Border Peace and Tranquility Agreement.
  - 1996 Agreement on Military Confidence-Building Measures Along the LAC.
  - Modalities for Implementing Confidence-Building Measures in the Military Field Along the LAC, 2005.
  - Agreement in 2012 to Establish a Working Mechanism for Consultation and Coordination on India-China Border Affairs.
  - 2013 Border Defense Cooperation Agreement.
- **2020 was designated as the Year of India- China Cultural and People-to-People Exchanges**

Xi Jinping, the Chinese premier said at Mamallapuram Summit: "To achieve the 'Dragon and Elephant Dance' is the only correct choice for China and India. In line with the same, it is important that both India and China resolve their differences and cooperate to usher in the Asian century as agreed in the Wuhan Consensus.

### e. INDIA-CHINA WATER RELATIONS:

#### i. Hydrological Status:

- Five major rivers flowing through India find their origins in China.
  - **Brahmaputra River System:** Siang (Brahmaputra), Lohit and Subansiri
  - **Indus River System:** Indus and Satluj
- **China is the upper riparian controller on 7 of South Asia's largest rivers:** Including the Indus, Ganga, Brahmaputra, Irrawaddy, Salween, Yangtze and Mekong.
- **Tibetan Plateau act as a major source:** Runoff from the Tibetan Plateau forms the largest volume from a single point in the world, and both nations face significant water stress. India has 16% of the population but only 4% water resources, while China has 20% population but only 7%. Both nations are industrial and agricultural giants.



#### ii. Water Cooperation:

- **No institutional agreement on water sharing:** India and China have no institutional agreement on water sharing, but there was an **Expert Level Mechanism (ELM) in 2006 to discuss trans-border rivers**. In 2018, an MOU was signed to share hydrological information about the Brahmaputra River in flood season and non-flood season. China is also obligated to share data if waters exceed pre-agreed levels.

#### iii. Concerns:

- **China's capability to weaponise the upper riparian status:** China has the capability to weaponise the upper riparian status, limiting India's ability to plan hydro-power projects downstream. This limits India's ability to deal with water cooperation issues with Bangladesh and Pakistan, and India's plans to utilize the full allocation to it under the Indus Water Treaty can be spoiled by Chinese actions upstream.

#### iv. Way forward:

- **Finalizing a water cooperation agreement:** A water cooperation agreement between the two nations is needed to address data sharing, dam building, and minimum water flow.
- **IWT as a guide:** The renowned Indus Water Treaty should serve as a valuable guide to water cooperation between two rival nations.
- **Politicization of water issues must be avoided:** Politicization of water must be avoided at any cost.

#### v. CHINA'S NEW DAM ON THE BRAHMAPUTRA:

- **China plans on building a super dam in Medog County** (near Arunachal Pradesh) on a tributary of Brahmaputra called Yarlung Zangbo. It originates in the Tibetan Plateau.
- Yarlung Zangbo flows into Arunachal Pradesh (as Siang) and Assam (as Brahmaputra) before entering Bangladesh (as Jamuna).
- China has already built a series of small dams on **Yarlung Zangbo**.
- The new dam is proposed to be three times that of **the Three Gorges Dam, the world's largest hydel power dam**.
- The dam forms a crucial part of China's plan to achieve an emissions peak by 2030 and net zero emissions by 2060.
- **Concerns for India:**
  - Degradation of Brahmaputra basin due to alteration in silt quantities
  - Alteration of water levels in ecologically sensitive regions eg. Kaziranga National Park.
  - The dam is located in the **seismically sensitive Himalayan region** which may pose a hazard of dam bursts.
  - **Politicization and Weaponization of River water** wherein China may impede natural flows in times of tensions with India.

#### f. CHINA'S RISING INFLUENCE IN SOUTH ASIA:

Once considered the strategic backyard of India, South Asia has recently been a theatre of rising Chinese influence

- **Pakistan:**
  - China-Pakistan relationship is considered to be an all-weather alliance.
  - China has heavily invested in Pakistan via the **China-Pakistan Economic Corridor (CPEC)**
  - China also has a substantial stake in the strategic Gwadar port.
  - China provides diplomatic support to Pakistan in the UN and FATF.
- **Bangladesh:**
  - **China is the largest source of defence imports for Bangladesh**
  - China is also its largest trade partner. It also grants Bangladesh duty-free access to over 97% of traded goods.
  - It is **financing 25 energy projects along with Bangladesh's second Nuclear Power plant**.
  - China has also extended technical support for **Bangabandhu-1, Bangladesh's 1st communication satellite**.
- **Sri Lanka:**
  - Sri Lanka forms a major leg of the maritime component of BRI. **Hambantota Port is one of the biggest projects under BRI**.
  - **Due to debt-trap diplomacy, China has also gained control of strategic assets such as the Hambantota Port.** China is one of the largest creditors of Sri Lanka. "The two engines", \$1.4-billion China-backed Colombo Port City in Colombo and the Hambantota Port in the island's Southern Province.
  - China is one of its largest trade partners and source of defense equipment.
  - China has provided crucial diplomatic support to Sri Lanka in the **UN Human Rights Commission after the Civil War between LTTE and the Sri Lankan Government**.
- **Nepal:**
  - Nepal is the host for the Himalayan leg of the BRI in three corridors – **Kosi, Gandak and Karnali**.
  - China has granted access to 7 land ports to Nepal for it to escape its excessive dependence on India for connectivity to the outside world.
  - Major investments in projects such as **Pokhara airport, Kathmandu-Lumbini rail link, and Lhasa Shigatse Rail Link**.
  - Second largest trade partner and largest source of FDI.



- **Maldives:**

- China owns over 70% of Maldives' debt and has heavily invested in infrastructure such as **Male Airport and Sinamale Bridge**
- A Chinese company has received a 50-year lease to the Feydhoo Finolhu Island
- With the return of the civilian democratic government to the Maldives, many grand infrastructure projects have been stalled or cancelled due to concerns over Debt-trap and unviability of the projects.

**Concerns for India:**

- **Risk of eroding of India's soft power:** Chinese foray in India's immediate neighbourhood risks eroding its soft power and predominant position in the region.
- **Chinese support to autocratic regimes in our neighbourhood:** Chinese support to hostile regimes such as Pakistan's Army or Maldives' autocratic regime goes against India's interests.

**g. CHINA -TIBET AND INDIA:**

- China has completed the construction of a strategically significant highway in Tibet, enabling greater access to remote areas along the disputed border with Arunachal Pradesh in India
- Recently, some Chinese nationals protested against the celebration of the birthday of the Dalai Lama in India.
- Tibet is the world's highest and largest plateau located in the north of the Himalayas. It is home to the Dalai Lama, a religious leader deeply respected by the people of India. **Tibet has been either independent or under loose sovereignty of China since the early 20th century.**
- In the British era, Tibet was considered a buffer against Imperial Russia and was considered a weak independent state in the early 20th century. **Buddhism was introduced in Tibet by Indians and is the home of the Dalai Lama.** Upon the rise of the People's Republic of China, the People's Liberation Army occupied Tibet in 1950-51, leading the 14th Dalai Lama to flee and seek asylum in India.
- After **Panchsheel Agreement** or the "Agreement on Trade and Intercourse between the Tibet region of China and India (1954)", **India gave up extraterritorial rights in Tibet.**
- A peaceful movement for autonomy has been going on since then from outside Tibet.

**INDIA-TIBET RELATIONS:**

- India recognizes Chinese claims over Tibet.
- **India provides asylum to Tibetan refugees:** On the other hand, it also provides asylum to lakhs of Tibetan refugees and also to the Dalai Lama.
- **India's unofficial assistance to Tibetan government in exile:** India also provides unofficial assistance to the Tibetan Government in Exile which operates out of India.
- **India provides education & healthcare support:** For Tibetan refugees along with lifelong work visas.
- **PG courses in Tibetology:** Seven Indian institutes also offer PG courses in Tibetology.
- **India's policy of humanitarian treatment towards the Tibetan peoples:** India's policy has drawn ire from the Chinese government which views the Tibetan movement as a separatist tendency but has drawn worldwide praise for India's humanitarian approach.

**CHALLENGES FOR INDIA:**

- **India's vulnerability in Kashmir:** has restricted India's stance with respect to human rights violations in Tibet.
- **China building infrastructure reaching to Indian border:** China has finished building a strategically important roadway in Tibet, allowing increased access to remote areas near the disputed border with India's Arunachal Pradesh.
- **Increased trade relations with China:** and interdependence with China forces India to play a balancing act between China and Tibet.
- **Question over Tibetan government in exile and heir of Dalai lama:**
  - China questions India's support to the government in exile.
  - **USA passed the Tibetan Policy and support act:** It formally recognizes the **Central Tibetan Administration (the Tibetan government in exile) as the legitimate representative of the Tibetan people.** It allows the US government to sanction Chinese officials who interfere with the succession of the Dalai Lama.

- **Tibetan Buddhist scholars have termed India's support to Tibet as a bargaining card against China:** Lately, some Tibetan Buddhist scholars have termed India's support to Tibet as a bargaining card against China rather than out of humanitarian concerns.

#### WAY FORWARD:

- **India must balance its interests:** with respect to China and Tibet.
- **Highlighting the human rights violation by China in Tibet:** India must join Western nations in rightly highlighting the human rights violations and targeting of Buddhist communities within Tibet.
- **Continue support to the Tibetan people:** It must also continue to provide support to the Dalai Lama and Tibetan Government in Exile.

#### h. PREVIOUS YEAR QUESTION:

1. "The USA is facing an existential threat in the form of China, that is much more challenging than the erstwhile Soviet Union." Explain. **(2021)**
2. The newly tri-nation partnership AUKUS is aimed at countering China's ambitions in the Indo-Pacific region. Is it going to supersede the existing partnerships in the region? Discuss the strength and impact of AUKUS in the present scenario **(2021)**
3. China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia', In the light of this statement, discuss its impact on India as her neighbor **(2017)**
4. With respect to the South China Sea, maritime territorial disputes and rising tension affirm the need for safeguarding maritime security to ensure freedom of navigation and overflight throughout the region. In this context, discuss the bilateral issues between India and China. **(2014)**
5. 'China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia', In the light of this statement, discuss its impact on India as her neighbour. **(2013)**

#### d. India-Bangladesh Relations:

Bangladesh's strategic location, political stability, and rapid economic growth make it India's ideal partner. **New Delhi's proactive engagement with Dhaka also reflects India's shifting foreign policy towards the Bay of Bengal and Indo-Pacific region.** Highlighting the importance of the relationship, Foreign Minister Subrahmanyam Jaishankar stated that India and Bangladesh have the potential to change "the whole geo-economics of the region."

#### a. FACT WISE:

- **Trade:** India-Bangladesh bilateral trade was valued at US\$18.2 billion in 2022. **Bangladesh is India's greatest trading partner, and India is Bangladesh's 12th largest commercial partner.**
- **Major exports:** Petroleum, cotton yarn, wheat, and other commodities are among India's key exports to Bangladesh. Other pure vegetable oils, non-knit men's clothes, and planes, helicopters, and/or spaceships are among Bangladesh's biggest exports to India.
- **Road, rail, and river links India and Bangladesh.** The India-Bangladesh Friendship Bridge and Payra Deep Seaport are among the joint infrastructure projects.
- **Investment:** India invests over \$3 billion in Bangladesh. Bangladesh invests \$1 billion in India, ranking 12th.

#### b. SIGNIFICANCE OF INDIA BANGLADESH RELATIONS:

Three sides of Bangladesh's land border are shared with India, and one side runs along the **Bay of Bengal**. India and Bangladesh share 4096.7 km. of border, which is the **longest land boundary that India shares** with any of its neighbours.

**India was the first country to recognize Bangladesh** as a separate and independent state and established diplomatic relations with the country immediately after its independence in **December 1971** as a friendly **South Asian neighbour**.

Bangladesh occupies a key place in India's **Neighbourhood First policy**. India's links with Bangladesh are civilisational, cultural, social and economic. There is much that unites the two countries- a **shared history and common heritage**, linguistic and cultural ties, **passion for music, literature and the arts**. Also, **Rabindranath Tagore**, created the **National Anthems** of both India and Bangladesh.

However, there still remain major issues such as **river water disputes (Teesta River water sharing)**, **aiding illegal immigrants**, and drug trades remain between **India and Bangladesh**, that must be addressed.



### c. How is India's Relation with Bangladesh?

- **Economic Ties:** The geographical proximity of India to Bangladesh has made it one of its biggest trading partners. **Bangladesh is the 6<sup>th</sup> largest trade partner of India.**
  - India has provided **duty free quota free access to Bangladesh** on all tariff lines except **tobacco and alcohol** under **South Asian Free Trade Area (SAFTA)** since 2011.
  - The bilateral trade between two countries has jumped to **USD 18.2 billion in 2021-22** as compared to USD 10.8 billion in 2020-21.
  - **6 Border Haats** (4 in Meghalaya and 2 in Tripura), have been approved by the Indian and Bangladesh governments.
- **Sharing of River Waters:** India and Bangladesh share **54 common rivers**. The **Ganga Waters Treaty** signed in 1996 for sharing of waters of river Ganga during lean season (January 1-May 31).
  - Most recently, the **Kushiyara Pact** was signed that will benefit people in **Southern Assam** and the **Sylhet region in Bangladesh**.
- **Connectivity:** India and Bangladesh share **4096.7 Km. of border**, which touches **Assam, Tripura, Mizoram, Meghalaya and West Bengal**. **Transit and trade through inland waterways** have been governed by a long standing and time-tested protocol between Bangladesh and India.
  - **Agartala-Akhaura Rail-Link** will be the first rail route between **Northeast India and Bangladesh**.
- **Power and Energy Sector Cooperation:** Energy sector cooperation between India and Bangladesh has also seen considerable progress in the last few years.
  - The **India-Bangladesh Friendship Pipeline Project**, signed in **2018**, will connect **Siliguri** in West Bengal in India and **Parbatipur** in Dinajpur district of Bangladesh.
  - India and Bangladesh have also signed the **Framework of Understanding (FOU) on Cooperation in the Hydrocarbon Sector**.
- **Tourism:** According to the **Ministry of Tourism**, Bangladesh accounted for the **largest share of foreign tourist arrivals in India in 2020**, including tens of thousands of people who come to the country for **medical treatment**.

### d. What are the International Forums Where India and Bangladesh are Common Members?

- **South Asian Association for Regional Cooperation (SAARC)**
- **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)**
- **Indian Ocean Rim Association for Regional Cooperation (IORA)**

### e. What are the Current Major Issues Between India and Bangladesh?

- **Teesta River Water Dispute:** Teesta river **flows from India to the Bay of Bengal through Bangladesh**. Almost half a dozen districts in West Bengal are dependent on this river. It is also a major source of **irrigation to the paddy growing greater Rangpur region of Bangladesh**.
  - Bangladesh complains that it does not get a fair share of the water. Since water is a state subject in India, the bottleneck lies in the **non-consensus between the state government of Bengal and central government**

- Meanwhile, **no treaty has been signed yet to resolve the Teesta water-sharing** dispute between the two nations.
- **Illegal Migration:** Illegal immigration from Bangladesh to India, which includes both **refugees and economic migrants**, continues unabated.
  - Large influx of such migrants across the boundary has posed serious socio-economic-political problems for the people of Indian states bordering Bangladesh with **serious implications for its resources and national security**.
- The issue was further complicated when the **Rohingya refugees originally from Myanmar** started infiltrating into India through Bangladesh.
  - Also, the **National Register of Citizens (NRC)**, that is expected to deter future migrants from Bangladesh from entering India illegally has also triggered a major concern in Bangladesh.
- **Drug Smuggling & Trafficking:** There have been many incidences of cross border **drug smuggling & trafficking**. Humans ( especially **children & women**) are trafficked & **various animal & bird species are poached through these borders**.
- **Terrorism:** The borders are susceptible to terrorist infiltration. A number of outfits are trying to spread their tentacles across India, such as **Jamaat-ul Mujahideen Bangladesh (JMB)**.
  - JMB is **listed as a terror group** by Bangladesh, India, Malaysia and the United Kingdom.
  - Recently, The **National Investigation Agency** has filed a charge-sheet against 6 members of the JMB in a **special court in Bhopal**.
- **Growing Chinese Influence in Bangladesh:** At present, **Bangladesh is an active partner in the Belt and Road Initiative (BRI)** (India is not a part of BRI).
  - Also, Bangladesh imports **Chinese military equipment**, including submarines, in the defense sector that is major concern for India's National Security.

#### f. What Should be the Way Forward?

- **Addressing Teesta River Water Dispute:** To establish a consensus towards demarcating the extent of teesta river water sharing and **reaching a mutual agreement**, both the Bengal government and the central government should work together with **mutual understanding and signal cooperative federalism**.
- **Better Connectivity:** There is a need to enhance connectivity in the region through strengthening cooperation in **coastal connectivity, road, rail and inland waterways**.
- **Energy Security:** As the global **energy crisis** continues to rise, it is imperative that India and Bangladesh cooperate in making use of **clean and green energy** in order to make **South Asia Energy self-sufficient**.
  - **India Bangladesh Friendship Pipeline:** This project is being undertaken through ground and **once completed will help in the movement of high speed diesel** to Northern Bangladesh from India.
  - Bangladesh has **acknowledged Indian Oil Corporation Limited** as a registered government to government supply of refined petroleum products.
- **Shifting Focus Towards Comprehensive Economic Partnership Agreement (CEPA):** Bangladesh will graduate from a **Less Developed Country (LDC)** to a developing country by **2026** and will no longer be entitled to trade and other benefits that are accorded to LDCs under international and regional trading agreements.
  - Through the **Comprehensive Economic Partnership Agreement (CEPA)**, **Bangladesh will be able to manage this transition** and preserve its trade privileges. It will also **strengthen economic ties between India and Bangladesh**.
- **Countering China's Influence:** Assisting Bangladesh with **Nuclear technology, Artificial intelligence**, Modern farming techniques, and flood data exchange will further strengthen India's relationship with Bangladesh and help India in countering China's influence to a greater extent.
- **Tackling the Refugee Crisis:** India and Bangladesh can take the lead in encouraging other countries in the **South Asia Association for Regional Cooperation (SAARC)** to develop a SAARC declaration on refugees, laying down a **specific procedures for determining status of refugee and economic migrants**.

#### g. INDIA-BANGLADESH RELATIONS DURING THE COVID-19 PANDEMIC:

- **Bangladesh worked with India's Serum Institute in February 2021 to extend Covid-19 immunisations, i.e. Covisheild vaccines.** During the epidemic, India donated approximately 3.3 million doses to Bangladesh.

- However, because of worsening conditions in India during the second wave of Covid-19, India stopped selling vaccines to Bangladesh, affecting vaccination activities.
- On the relief aid box that was transported to India, there were around 10,000 vials of Remdesivir produced by Bangladesh by Beximco, as well as zinc calcium, anti-viral injections, oral anti-viral, 30,000 PPE kits, and other pills.

India and Bangladesh have a lot of space to strengthen their bilateral relations. The basis of the link should be cooperation, collaboration, and consolidation. The most important condition for progress is peace. As a result, effective border management is essential to ensure a secure, tranquil, and crime-free border.

#### **h. PREVIOUS YEAR QUESTIONS:**

1. The protests in Shahbag Square in Dhaka in Bangladesh reveal a fundamental split in society between the nationalists and Islamic forces. What is its significance for India? **(2013)**

#### **e. India – Bhutan Relations:**

“India is fortunate to be the land where Prince Siddhartha became Gautam Buddha. And from where the light of his spiritual message, the light of Buddhism, spread all over the world. Generations of monks, spiritual leaders, scholars and seekers have burnt that flame bright in Bhutan,” **Prime Minister Modi**

- Because of their shared location and cultural characteristics, **India** and Bhutan are known as all-weather friends.
- The excellent connection between India and Bhutan has played a significant role in maintaining the peace and security of the area.

#### **a. HISTORICAL TIES:**

- **8th Century AD:** Historically both nations share strong cultural ties which flourished mainly during Tibetan **Guru Padmasambhava who introduced Tantric Buddhism to Tibet in the 8th century.**
- **1947:** Bhutan was among the first countries who recognized India's independence.
- **India has supported Bhutan's entry in the United Nations.**
- **1972:** India and Bhutan trade and commerce agreement established free trade and commerce between them.
- **Post-independence:** Although both countries opened embassies in 1978, the relationship between these neighbours is based on the **1949 India-Bhutan Treaty of Friendship and Cooperation.** This treaty was revised in 2007 which shows continuous evolution of relations between them.

#### **b. REVISED PROVISIONS OF THE 2007 FRIENDSHIP TREATY:**

- It adopted an element of equality doing away from India's big brother approach.
- **Independent Foreign Policy:** Articles 2 and 4 of the revised treaty enabled Bhutan to conduct its foreign policy more independently at the same time keeping India's security interests in mind.
- **Procurement of weapons:** Article 4 would allow Bhutan to import military equipment from other countries without India's consent.
- **Security concern:** Both countries have a duty to stop unlawful acts that endanger public safety and other interests within their borders

#### **c. COOPERATION AND SIGNIFICANCE OF BHUTAN:**

India and Bhutan share a **unique and special relationship that is based on a long history of cultural, economic, and political ties.** Despite its small size, Bhutan occupies a strategically important position in South Asia and has been a key partner for India in regional cooperation efforts.

Bhutan's border disputes with China and its relationship with India have been in the spotlight recently, with concerns over the possibility of the country moving away from its traditional ally, India. While **Bhutan has been engaging in negotiations with China over its territorial disputes,** recent developments suggest that continuity still looms large in Bhutan-India relations.

#### **d. How Recent Developments in China Bhutan Relations Concerning India?**

- **Border Disputes:**

- Bhutan and China have **had a long-standing border dispute, with China claiming a large part of Bhutanese territory** in the western region.
- This area is **also strategically important as it is close to India's Siliguri Corridor**, which connects mainland India to its north-eastern states.
- If China were to make any advances in this region, it could potentially threaten India's security.
- **China disputes the following territories with Bhutan:** In the north, Pasamlung and Jakarlung valleys, both of which are culturally vital for Bhutan and in the west, Doklam, Dramana, and Shakhatoe, Yak Chu and Charithang Chu, and Sinchulungpa and Langmarpo valleys.
- **The Doklam trijunction is crucial for India as it lies precariously close to the Siliguri Corridor.**
- Recently, **China has also claimed the Sakteng sanctuary**, which is on Bhutan's east and does not border China.
- **Influence in the Region:**
  - Bhutan is **one of India's closest allies in the region**, and India has long provided economic and military support to Bhutan. **However, in recent years, China has been increasing its economic and diplomatic ties with Bhutan**, which could potentially weaken India's influence in the region.
- **China's Assertiveness:**
  - China has **become increasingly assertive in its foreign policy**, particularly in the Asia-Pacific region.
  - This has led to tensions with several countries, including India.
  - If China were to use its increasing influence in Bhutan to further its strategic goals, it could potentially pose a challenge to India's regional security.

#### e. What is the Importance of Bhutan for India?

- **Strategic Importance:**
  - Bhutan **shares its borders with India and China**, and its strategic location makes it an important **buffer state for India's security interests**.
  - India has **provided Bhutan with assistance in areas** such as defense, infrastructure, and communication, which has helped to maintain Bhutan's sovereignty and territorial integrity.
  - India has **helped Bhutan build and maintain its border infrastructure**, such as roads and bridges, to strengthen its defense capabilities and ensure its territorial integrity.
  - In 2017, during the Doklam standoff between India and China, **Bhutan played a crucial role in allowing Indian troops to enter its territory** to resist Chinese incursions.
- **Economic Importance:**
  - India is **Bhutan's largest trading partner, and Bhutan's major export destination**.
  - Bhutan's hydropower potential is a significant source of revenue for the country, and India has been instrumental in assisting Bhutan in developing its hydropower projects.
  - India also provides Bhutan with financial assistance for its development projects.
- **Cultural Importance:**
  - **Bhutan and India share strong cultural ties**, as both countries are predominantly Buddhist.
  - India has **provided assistance to Bhutan in preserving its cultural heritage**, and many Bhutanese students come to India for higher education.
- **Environmental Importance:**
  - Bhutan is **one of the few countries in the world that has pledged to remain carbon-neutral**, and India has been a key partner in helping Bhutan achieve this goal.
  - **India has provided assistance to Bhutan in areas such as renewable energy, forest conservation, and sustainable tourism.**

#### f. What are the Challenges in the India-Bhutan Relations?

- **China's Growing Influence:**
  - China's **increasing presence in Bhutan, particularly along the disputed border between Bhutan and China**, has raised concerns in India. India has been Bhutan's closest ally and has played a key role in protecting Bhutan's sovereignty and security. However, China's growing economic and military influence in the region poses a challenge to India's strategic interests in Bhutan.
- **Border Disputes:**
  - India and Bhutan **share a 699 km long border**, which has been largely peaceful.



- However, there have been some incidents of border incursions by Chinese forces in recent years.
- The **Doklam standoff in 2017** was a major flashpoint in the India-China-Bhutan tri-junction. Any escalation of such disputes could strain India-Bhutan relations.
- **Hydropower Projects:**
  - Bhutan's **hydropower sector is a key pillar of its economy**, and India has been a major partner in its development.
  - However, there have been concerns in Bhutan over the terms of some of the hydropower projects, which have been seen as too favorable to India.
  - This has led to some public opposition in Bhutan to Indian involvement in the sector.
- **Trade Issues:**
  - India is Bhutan's largest trading partner, **accounting for over 80% of Bhutan's total imports and exports**. However, there **have been some concerns in Bhutan over the trade imbalance**, with Bhutan importing more from India than it exports.
  - Bhutan has been seeking greater access to the Indian market for its products, which could help to reduce the **trade deficit**.

#### g. What Should be the Way Forward?

- **Economic Cooperation:**
  - India can **help Bhutan to boost its economy by investing in infrastructure development**, tourism, and other sectors. This will not only help Bhutan to become self-reliant but also create employment opportunities for its people.
  - **Recent decision to set up the first Integrated Check Post (ICP) along the border near Jaigaon and Phuntsholing**, the busiest trading point between the countries will help in boosting trade between the two countries.
  - The decision to expedite the **operationalisation of the third international internet gateway** for Bhutan is also a great step in the direction.
- **Cultural Exchange:**
  - India and Bhutan can **promote cultural exchange programs to foster greater understanding** and appreciation of each other's culture, art, music, and literature.
  - A **visa-free movement of peoples from both countries** can strengthen sub-regional cooperation.
- **Strategic Cooperation:**
  - India and Bhutan can **strengthen their strategic cooperation to address shared security concerns**. They can work together to combat terrorism, drug trafficking, and other transnational crimes.
- **Renewable Energy:**
  - Bhutan has **enormous potential for generating hydropower**, and India can help Bhutan to harness its hydropower resources by investing in renewable energy projects.
- **Education and Skill Development:**
  - India can **help Bhutan in the areas of education and skill development** by providing scholarships to Bhutanese students and training programs to enhance the skills of Bhutanese professionals.
  - According to **All India Surveys of Higher Education (AISHE)**, the **number of Bhutanese students receiving tertiary education in India declined from 2,468 in 2012-13 to 1,827 in 2020-21**, accounting for just 3.8% of all international students from 7% a decade ago.

#### f. India – Sri Lanka relations:

There has been extensive intellectual, cultural, religious, and linguistic exchange between India and Sri Lanka during the course of their more than 2500-year relationship.

In the waters of the Indian Ocean will take place the "Great Game" of this century. Furthermore, "Sri Lanka matters because the Indian Ocean matters.

According to Mahinda Rajapaksha, a former prime minister of Sri Lanka, "India is a relative of Sri Lanka while all other countries are friends."

## a. OVERVIEW OF RELATIONS:

### ECONOMIC

- **Largest trading partner:** With a total bilateral merchandise trade of US\$5.45 billion in 2021—a significant rise (about 48%) over 2020—India was Sri Lanka's largest trading partner.
- **Currency swap:** Recently, in order to increase Sri Lanka's foreign reserves and guarantee financial stability following COVID-19, the Reserve Bank of India (RBI) struck an agreement to grant a \$400 million currency exchange facility to Sri Lanka.
- **Investment:** India has reportedly already made FDI investments of more than US\$ 2.2 billion, according to the Central Bank of Sri Lanka. In 2021, India attracted the greatest amount of FDI (\$142 million).

### POLITICAL

- **High-level exchanges:** High-level exchanges of visits at regular intervals have been a defining feature of the political relations between the two nations.
- **Neighbourhood First Policy of India:** It is an extension of **Sabka Saath Sabka Vikaas in realm of foreign policy**.
- **'India first' policy:** Although on his maiden foreign trip, Sri Lanka's president emphasised his country's "India first" strategy and declared that "while China is a friend, India is relative."
- **Common Forum:** Both nations are members of regional organisations like SAARC and BIMSTEC. Working together on a multilateral basis to promote peace and development in the Indian Ocean region are the SAGAR initiative, IORA, and IONS.

### GEOSTRATEGIC SIGNIFICANCE OF SRI LANKA

- **Trade:** It is situated on crucial water routes that connect to the Indian Ocean, where 90% of India's trade takes place.
- **Indo Pacific Strategy:** In reaction to Chinese aggression in the South China Sea, an effort was made to ensure free and open access for navigation.

### DEFENCE AND SECURITY COOPERATION

- **Military Exercise:** India and Sri Lanka conduct annual joint Military exercise **'Mitra Shakti'** and **Naval exercise SLINEX**. India also provides defense training to Sri Lankan forces.
- **Maritime security:** A trilateral maritime security cooperation agreement has been struck by India, Sri Lanka, and the Maldives to enhance surveillance, anti-piracy operations, and reduce maritime pollution in the Indian Ocean region.
  - India and Sri Lanka also reached an agreement in 2019 to combat human and drug trafficking.
- **Trilateral security meeting:** Terrorism and radicalization, marine safety and security, human trafficking and organised crime, and cyber security were acknowledged as the **"four pillars" of collaboration**.

### DEVELOPMENTAL ASSISTANCE

- **Community Development:** India and Sri Lanka reached a bilateral agreement to increase the cap on High Impact Community Development Projects (HICDP)
- **Rehabilitation and relief:** Assistance for internally displaced Tamils. India has constructed 30000 houses and other medical facility infrastructure.
- **Swap Agreement:** Under the SAARC currency exchange framework, the Reserve Bank of India (RBI) and the Central Bank of Sri Lanka (CBSL) have finalised a USD 400 million currency swap arrangement.
- **LoC:** Exim Bank has so far extended nine LOC to Sri Lanka including the latest one taking the total value to \$1.68 billion. LoC of \$4 billion in emergency assistance extended by India during the peak of Sri Lanka's financial crisis early last year.

### CULTURAL AND EDUCATIONAL COOPERATION

- **Agreement:** India and Sri Lanka signed a cultural cooperation agreement back in 1977.
- **Scholarship:** India provides scholarships to qualified Sri Lankan students in Undergraduate and research studies.

- Sri Lanka is also a partner in **Nalanda university project of India.**
- **Training:** Through the Indian Technical and Economic Cooperation (ITEC) Programme, India offers representatives from several Sri Lankan government ministries 402 fully compensated positions each year.
- **People to people ties:** Through cultural connectedness like Buddhism. Tamil decency, etc.
  - In order to deepen these ties, the **Swami Vivekananda Cultural Centre (SVCC), the cultural branch of the Indian High Commission in Colombo, has been instrumental.**

**b. ISSUES IN RELATION:**

ISSUES	ABOUT
<b>Tamil Issue</b>	<ul style="list-style-type: none"> <li>● Buddhist majority in Sinhala discriminates against people of different religions and languages. <b>The official status of Tamil is lacking, and Buddhism is given priority in both employment and education.</b></li> <li>● <b>Denied Citizenship:</b> The bulk of Tamils were refused citizenship. Thus, the majority of Tamils in Sri Lanka's tea estates continued to live in poverty.</li> <li>● <b>Civil war and human rights abuses:</b> The UN estimates that 40,000 civilians alone died in the five months before to the end of the conflict between the</li> <li>● <b>20th Amendment:</b> which weakens the 13th Amendment, was introduced by Sri Lanka's new government. Other requirements of the Indo-Sri Lanka Accord of 1987, such provincial Autonomy and Tamil language recognition, are also not followed. LTTE and Sri Lankan government in May 2009.</li> </ul>
<b>China Factor</b>	<ul style="list-style-type: none"> <li>● Concerns have been raised regarding China's 99-year lease of Sri Lanka's vital Hambantota Port. Observations of Chinese submarines at the port have raised more questions about security.</li> <li>● The joint venture between India and Sri Lanka for managing <b>the Mattala Rajapaksa International Airport</b> has not progressed as intended and the problems have been exacerbated by the project's proximity to the airport and the China-run Hambantota port.</li> </ul>
<b>Fisherman Issue (Katchatheevu Island)</b>	<ul style="list-style-type: none"> <li>● <b>The Katchatheevu island is where the main conflict is. In 1974, the island was given to Sri Lanka.</b></li> <li>● Although the agreement grants Indian fishermen access to Katchatheevu for rest and nest drying, it did not guarantee the rights to engage in traditional fishing.</li> <li>● <b>When Indian fishermen invade Sri Lankan waterways, arrests and attacks have escalated since the civil war's end in 2009.</b> Sri Lanka also objects to Indian fishermen using large trawlers.</li> <li>● To find a long-term solution, both nations have established the Joint Working Group framework. A MoU was also signed between India and Sri Lanka to give fishermen nets and other tools they need</li> </ul>
<b>India's Financing Assurance</b>	<ul style="list-style-type: none"> <li>● <b>India became the first bilateral creditor of the island nation to formally back its critical debt restructure programme</b> following last year's economic catastrophe when it issued written financial assurances to the International Monetary Fund (IMF).</li> <li>● Only until China, Japan, and India, Sri Lanka's official creditors, have given sufficient finance assurances, will the IMF's interim USD 2.9 billion package to Sri Lanka be approved.</li> <li>● Asserting India's commitment to the idea of "neighbourhood first" and not allowing a partner to fend for themselves, the choice to Finance assurance was also a statement of India's belief in the ideal</li> </ul>
<b>Trade Balance in favour of India</b>	<ul style="list-style-type: none"> <li>● In 2018, India exported \$4.16 billion to Sri Lanka, while Sri Lanka exported \$767 million to India.</li> <li>● Sri Lanka desires improved access to Indian markets as well as a reduction in this disparity</li> </ul>

**Way forward:**

- **Connectivity:** Economic integration through development of connectivity via Palk strait bridge
- **Economic Integration Roadmap (EIRM):** It is based on Sub Regionalism and aims to connect 5 southern states of India with Sri Lanka to tap a total of 300 million population and \$500 billion GDP.
- **Private Investment:** Need to deepen private investment from India in SL in the infrastructure, energy and connectivity in time bound manner.

- **Leveraging Blue Economy:** India may also collaborate with nations like Japan and Australia to strengthen Sri Lanka's infrastructure and connections while utilising the Blue Economy.
- **Comprehensive Economic Partnership Agreement (CEPA):** To enhance the economic cooperation between the two nations, it must be inked.
- **Aiding Fishermen:** States must get assistance from the department of ocean development and the ministry of agriculture so that fishermen in Palk Bay can find alternate means of income.

#### c. PREVIOUS YEAR QUESTION:

1. India is an age-old friend of Sri Lanka'. Discuss India's role in the recent crisis in Sri Lanka in light of the preceding statement. **(2022)**
2. In respect of India —Sri Lanka relations, discuss how domestic factors influence foreign policy. **(2013)**

#### g. India-Nepal Relations:

India and Nepal have a unique friendship and cooperation relationship characterised by open borders and deep-rooted people-to-people contacts of kinship and culture. **The India–Nepal Treaty of Peace and Friendship of 1950 forms the bedrock of the special relations that exist between India and Nepal.**

#### a. INDIA NEPAL TIES:

Recently, the **Indian Prime Minister visited Lumbini**, Nepal, the birthplace of Buddha, where he laid a foundation stone along with the Nepalese Prime Minister for a Buddhist Vihara, being built with Indian assistance.

- The **Prime Minister of Nepal also made his first bilateral visit** abroad to India since taking his oath in July 2021. The visit was a success in terms of launching connectivity projects and signing Memorandums of Understanding (MoUs).

#### b. How have the Historical Ties been?

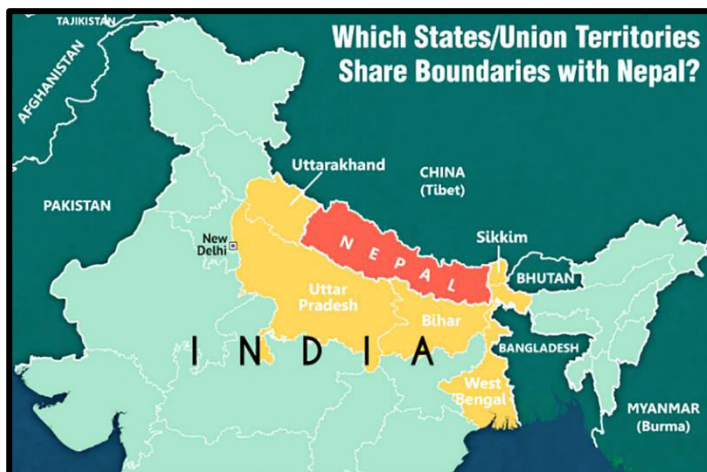
- Nepal is an **important neighbour of India** and occupies a special significance in its foreign policy because of the geographic, historical, cultural and economic linkages/ties that span centuries.
- India and Nepal share similar ties in terms of **Hinduism** and **Buddhism** with **Buddha's birthplace Lumbini** located in present day Nepal.
- The two countries not only share an open border and unhindered movement of people, but they also have close bonds through marriages and familial ties, popularly known as **Roti-Beti ka Rishta**.
- The **India-Nepal Treaty of Peace and Friendship of 1950** forms the bedrock of the special relations that exist between India and Nepal.

#### c. What is the Treaty of Peace and Friendship of 1950?

- The treaty talks about the reciprocal treatment of Indian and Nepali citizens in the two countries, in residence, property, business and movement.
- It also **establishes national treatment for both Indian and Nepalese businesses** (i.e., once imported, foreign goods would be treated no differently than domestic goods).
- It also gives Nepal **access to weaponry from India**.

#### d. What is the Significance of Nepal for India?

- Nepal **shares border with 5 Indian states-** Uttarakhand, Uttar Pradesh, West Bengal, Sikkim and Bihar. Hence an important point of cultural and economic exchange.
- The importance for India **can be studied from two different angles:**
  - Their strategic importance for India's national security.
  - Their place in India's role perception in international politics.



- Nepal is right in the middle of India's '**Himalayan frontiers**', and along with Bhutan, it acts as a **northern 'borderland' flanks** and acts as buffer states against any possible aggression from China.
- Rivers originating in Nepal **feed the perennial river systems** of India in terms of ecology and hydropower potential.
- Many Hindu and Buddhist religious sites are in Nepal making it an **important pilgrim site** for a large number of Indians.

#### e. What are the Areas of Cooperation Between the Two Countries?

##### ▪ **Trade and Economy:**

- India is Nepal's largest trade partner and the largest source of foreign investments, besides providing transit for almost the entire third country trade of Nepal.
- **Total bilateral trade in 2018-19** reached INR 57,858 cr (US\$ 8.27 bn). In 2018-19, while Nepal's exports to India stood at INR 3558 cr (US\$ 508 mn), India's exports to Nepal were INR 54,300 cr (US\$ 7.76 bn).
- Indian firms engaged in manufacturing, services (banking, insurance, dry port), power sector and tourism industries etc.

##### ▪ **Connectivity:**

- **Nepal being a landlocked country is surrounded by India from three sides and one side is open towards Tibet** which has very limited vehicular access.
- India-Nepal has undertaken various connectivity programs to **enhance people-to-people linkages** and promote economic growth and development.
- MOUs have been signed between both governments for laying an electric rail **track linking Kathmandu with Raxaul in India**.
- India is looking to develop the **inland waterways for the movement of cargo**, within the framework of trade and transit arrangements, providing additional access to sea for Nepal calling it linking **Sagarmatha (Mt. Everest)** with **Sagar (Indian Ocean)**.

##### ▪ **Development Assistance:**

- The Government of India **provides development assistance to Nepal**, focusing on the creation of infrastructure at the grass-root level.
- The areas of assistance **include infrastructure, health, water resources, and education and rural & community development**.

##### ▪ **Defence Cooperation:**

- Bilateral defence cooperation **includes assistance to the Nepalese Army** in its modernisation through the provision of equipment and training.
- The **Gorkha Regiments of the Indian Army** are raised partly by recruitment from hill districts of Nepal.
- India from 2011, every year undertakes a **joint military exercise** with Nepal known as **Surya Kiran**.

##### ▪ **Cultural:**

- There have been **initiatives to promote people-to-people contacts** in the area of art & culture, academics and media with different local bodies of Nepal.
- India has signed **three sister-city agreements** for the twinning of **Kathmandu-Varanasi, Lumbini-Bodhgaya and Janakpur-Ayodhya**.

##### ▪ **Humanitarian Assistance:**

- Nepal lies in the sensitive ecological fragile zone which is prone to **earthquakes and floods** causing massive damage to both life and money, whereby it remains the biggest recipient of India's humanitarian assistance.

##### ▪ **Indian Community:**

- A huge number of Indians live in Nepal, these include businessmen, traders, doctors, engineers and labourers (including seasonal/migratory in the construction sector).

##### ▪ **Multilateral Partnership:**

- India and Nepal share multiple multilateral forums such as **BBIN** (Bangladesh, Bhutan, India, and Nepal), **BIMSTEC** (Bay of Bengal Initiative for Multi Sectoral Technical and Economic Cooperation), **Non Aligned Movement**, and **SAARC** (South Asian Association for Regional Cooperation) etc.

#### f. What are the Recent Developments?

##### ▪ **Arun-3 Hydro Electric Project:**

- In 2019, the cabinet also approved ₹1236 crore investments for **Arun-3 hydro project**.
- The Arun-3 Hydro Electric project (900 MW) is a run-of-river located on Arun River in Eastern Nepal.
- **Build Own Operate and Transfer (BOOT):**
  - A Memorandum of Understanding (MoU) was signed between the Government of Nepal and **Sutlej Jal Vikas Nigam (SJVN) Limited** for the project in 2008 for execution on a **Build Own Operate and Transfer (BOOT)** basis for a period of 30 years including five years of the construction period.
- **International Centre for Buddhist Culture and Heritage:**
  - During the visit of the Prime Minister of India, he performed the '**shilanyas**' ceremony to launch the construction of the India International Centre for **Buddhist Culture and Heritage in the Lumbini Monastic Zone**.
  - The centre will be a world-class facility welcoming pilgrims and tourists from all over the world to enjoy the essence of spiritual aspects of Buddhism.
  - The facility is aimed at catering to scholars and Buddhist pilgrims from all over the world who visit Lumbini.
- **Hydropower Projects:**
  - The two leaders signed five agreements, including one between the **Satluj Jal Vidyut Nigam (SJVN) Ltd** and **the Nepal Electricity Authority (NEA)** for the development and implementation of the 490.2 megawatts Arun-4 hydropower project.
  - Nepal also invited Indian companies to invest in the **West Seti hydropower project** in Nepal.
- **Setting up a Satellite Campus:**
  - India has offered to set up a satellite campus of the Indian Institute of Technology (IIT) in Rupandehi and has sent some draft memoranda of understanding for signing between Indian and Nepali universities.
- **Pancheshwar Multipurpose Project:**
  - Nepal discussed some pending projects like the **Pancheshwar Multipurpose Project, an important arm of the Mahakali Treaty signed between Nepal and India in 1996**, and the West Seti Hydropower Project, a reservoir-type project with a projected capacity of 1,200 megawatts.
- **Cross-border Rail Link:**
  - The operationalisation of the 35 kilometre cross-border rail link from Jayanagar (Bihar) to Kurtha (Nepal) will be **further extended to Bijalpura and Bardibas**.
- **Double Circuit Transmission Line:**
  - Another project includes a 90 km long 132 kV double circuit transmission line **connecting Tila (Solukhumbu) to Mirchaiya (Siraha)** close to the Indian border.
- **Multilateral Projects:**
  - Additionally, agreements providing technical cooperation in the railway sector, Nepal's induction into the **International Solar Alliance**, and between Indian Oil Corporation and Nepal Oil Corporation on ensuring regular supplies of petroleum products were also signed.

#### g. What are the Challenges?

- **Territorial Disputes:** One of the main challenges in the Indo-Nepal ties is the **Kalapani boundary issue**. These boundaries had been fixed in 1816 by the British, and India inherited the areas over which the British had exercised territorial control in 1947.
  - While 98% of the India-Nepal boundary was demarcated, two areas, Susta and Kalapani remained in limbo.
  - In 2019, Nepal released a **new political map** claiming **Kalapani, Limpiyadhura and Lipulekh of Uttarakhand and the area of Susta (West Champaran district, Bihar) as part of Nepal's territory**.
- **Issues with Peace and Friendship Treaty:** The 1950 Treaty of Peace and Friendship was sought by the Nepali authorities in 1949 to continue the special links they had with British India and to provide them an open border and the right to work in India.
  - But today, it is **viewed as a sign of an unequal relationship**, and an Indian imposition.
  - The idea of revising and updating it has found mention in Joint Statements since the mid-1990s but in a sporadic and desultory manner.
- **The Demonetisation Irritant:** In November 2016, India withdrew Rs 15.44 trillion of high value (Rs 1,000 and Rs 500) currency notes. Today, over Rs 15.3 trillion has been returned in the form of fresh currency.
  - Yet, many Nepali nationals who were legally entitled to hold Rs 25,000 of Indian currency (given that the Nepali rupee is pegged to the Indian rupee) were left high and dry.

- The **Nepal Rashtra Bank** (Central Bank of Nepal) holds Rs 7 crore and estimates of public holdings are Rs 500 crore.
- India's refusal to accept demonetised bills with the Nepal Rastra Bank and the unknown fate of the report submitted by the Eminent Persons Group (EPG) has not helped in securing a better image in Nepal.
- **China's Intervention:**
  - In recent years, Nepal has **drifted away from India's influence**, and China has gradually filled the space with investments, aid and loans.
  - China considers Nepal a key partner in its **Belt and Road Initiative (BRI)**, and wants to invest in Nepal's infrastructure as part of its grand plans to boost global trade.
  - Rising Nepal and China cooperation can **undermine Nepal's distinction of a buffer state between India and China**.
  - China on the other hand **wants to avoid the formation of any Anti-China stance** by the Tibetans living in Nepal.
- **Internal Security:** It is a major concern for India as the **Indo-Nepal border is virtually open and lightly policed** which is exploited by terrorist outfits and insurgent groups from North Eastern part of India eg. supply of trained cadres, fake Indian currency.
- **Trust & Ethnic Differences:** Overtime trust deficit has widened between India-Nepal because of the Indian reputation for delaying implementation of various projects.
  - There is **anti-India feeling among certain ethnic groups** in Nepal which emanates from the perception that India indulges too much in Nepal and tinkers with their political sovereignty.
  - **The India-Nepal Madhesi issue:** It pertains to the concerns of the **Madhesi ethnic community residing in Nepal's Terai region**. They seek greater political representation and constitutional amendments to address their grievances. **Tensions flared in 2015 when Nepal adopted a new constitution, leading to protests, blockades, and India's involvement**. Efforts have been made to address Madhesi concerns through dialogue, but the issue remains a complex and sensitive matter affecting India-Nepal relations.

#### h. What can be the Way Forward?

- **Dialogues for Territorial Disputes:** The need today is to avoid rhetoric on territorial nationalism and lay the groundwork for quiet dialogue where both sides display sensitivity as they explore what is feasible. India needs to be a sensitive and generous partner for the **neighbourhood first policy** to take root.
  - The dispute shall be negotiated diplomatically under the aegis of **International law on Trans-boundary Water Disputes**.
  - In this case, **boundary dispute resolution between India and Bangladesh** should serve as a model for this.
- **Sensitising Towards Nepal:** India should engage more proactively with Nepal in terms of people to people engagement, bureaucratic engagement as well as political interactions.
  - It should **maintain the policy of keeping away from the internal affairs of Nepal**, meanwhile, in the spirit of friendship, India should guide the nation towards more inclusive rhetoric.
- **Strengthening Economic Ties:** The power trade agreement needs to be such that India can build trust in Nepal. Despite more renewable energy projects (solar) coming up in India, **hydropower is the only source that can manage peak demand in India**.
  - For India, buying power from Nepal would mean managing peak demand and also saving the billions of dollars of investments which would have to be invested in building new power plants, many of which would cause pollution.
- **Investments from India:** The **Bilateral Investment Promotion and Protection Agreement (BIPPA)** signed between India and Nepal **needs more attention from Nepal's side**.
  - The private sector in Nepal, especially the cartels in the garb of trade associations, are fighting tooth and nail against foreign investments.
  - It is important that Nepal conveys this message that it **welcomes Indian investments**.

#### i. EXPERT'S OPINION:

C. Raja Mohan identifies the India-Nepal territorial dispute as “merely a symptom of the structural changes unfolding in the external and internal context of the bilateral relationship”.



## h. India's Engagement with Taliban:

After a strategic retreat from Kabul following the Taliban takeover in August 2021, India has re-established its diplomatic presence in Afghanistan. **India has deployed a team in its embassy in Kabul, 10 months after it pulled out its officials from the mission following the Taliban's capture of power.** The current state of affairs is far from being business as usual. However, India is on the path for enhancing engagement with the new regime in Afghanistan. The engagement will be full of challenges, but with a well-planned and long-term strategy it has the potency of securing many of India's strategic interests in Afghanistan and the region.

### a. What has been India's Approach towards Taliban?

India had **refused to recognise the Taliban regime of 1996-2001.** India had at that time supported the 'Northern Alliance' in fighting the Taliban in Afghanistan. The alliance was a united military front that came to formation in late 1996 after the Islamic Emirate of Afghanistan (Taliban) took over Kabul. It fought a war with the Taliban in 2001. This ended the Taliban's rule over Afghanistan.

India has long held the position of **dealing only with the elected government** in Kabul. India supports an **Afghan-led, Afghan-owned and Afghan-controlled peace process.** Due to this, India pulled out its officials from its embassy following the Taliban's capture of power in August 2021.

**India was the one of the first countries to immediately ban all Afghans traveling to India, including students and patients with a valid Indian visa.** However, India has been showing flexibility in its earlier rigid policy of engagement with Taliban considering the changing geopolitical landscape.

### b. How has India sustained its engagement after the takeover by Taliban?

Even after the closure of the consulates and embassy, India continued to express concerns about the humanitarian crisis in Afghanistan.

It built regional consensus about the threat of terrorism, voiced its support for an inclusive government, and **provided aid and assistance to the people of Afghanistan.** Much of this is in sync with the **Agreement on Strategic Partnership (ASP)** that India had signed in October 2011.

However, **India chose to abstain from the UN Security Council's calling on the Taliban to open girl schools.** It continues to remain silent about the worsening situation in Afghanistan.

**India is one of the most visible actor in Afghanistan in humanitarian support post Taliban takeover.** India has supplied 20,000 metric tonnes of wheat, 13 tonnes of medicines, winter clothing, 500,000 doses of COVID-19 vaccines to Afghanistan, as well as 1 million doses of Covid-19 vaccines for Afghan refugees in Iran.

**Recently, India sent a small technical team to Kabul in June 2022, to deal with the humanitarian crisis following the earthquake in Paktika and Khost provinces as a first responder.**

### c. What is the need to engage with the Taliban?

**Security:** A stable Afghanistan is crucial for regional and domestic security of India. With Afghanistan becoming a centre of radical ideology and violence, such a development would affect Pakistan and inevitably reach India. Engagement is desired to prevent Afghanistan from becoming another safe haven for anti-India terrorist groups, and also check Pakistan's deepening influence in Kabul.

**The Taliban's victory realised two important ideological and strategic goals of militant Islamists and their Pakistani patron: (a) Establishing a "pure Islamic Government" in the Heart of Asia; (b) Securing Pakistan's "Strategic Depth".** The two concepts are necessary pre-conditions for attaining another long-held vision of Islamists.

**Connectivity:** The most important role of Afghanistan is always considered as **India's gateway to Central Asia.** It implies continental outreach. For instance, connectivity with Afghanistan and further with Central Asia have been primarily the reasons for India's engagement with Iran to develop Chabahar port.

**Strengthening regional foothold:** Increasing strategic engagements with Afghanistan is beneficial for strengthening a foothold in the region. For example, India's relations with Iran at present are dominated by oil. Diversification of engagements would strengthen India's relations with Iran and other countries.

**Energy Security:** To address its energy needs and to sustain its economic growth, pipelines from Iran and Central Asia would be extremely important. **India sees Afghanistan as an essential component of the TAPI (Turkmenistan, Afghanistan, Pakistan, India) pipeline.**

**Trade:** In case of trade, Afghanistan can help India export its products to Europe, gaining foreign exchange. The railway line from **Chabahar to Zahedan** in Afghanistan envisages to connect New Delhi with Iran, Afghanistan, Central Asia and Europe.

**Diplomatic Outreach by Taliban:** The Taliban have also tried to reach out to India. Indian Officials had first met Taliban's Political Head in Doha (Qatar) in August 2021 at the request of Taliban. In the 1990s, the Taliban had excessive reliance on Pakistan for international recognition. However, circumstances are now different, Pakistan's economy is in shambles and its diplomatic space has contracted considerably. India's economy and international standing has improved appreciably since 1990s. Taliban realizes that it has to reach out to all regional powers, especially India, to get international recognition for the Islamic Emirate of Afghanistan.

### 5 Pillars of India's Development Partnership with Afghanistan

#### Humanitarian Assistance

- Indira Gandhi Institute of Child Health: 400-bed hospital for Children.
- Supply of Wheat, Medicines, COVID-19 Vaccines and other essential items.

#### Infrastructure

- 218 Km Road from Zaranj to Delaram for movement of goods from Iran.
- Salma Dam on River on Hari River with 42 MW capacity.

#### Connectivity

- Chabahar port in Iran and Connectivity with Afghanistan and Central Asia.
- Direct Air Freight Corridor between India and Afghanistan, established in 2017.

#### Economic Development

- Private Investments in Afghanistan like India-Afghanistan Trade and Investment Show.
- 116 'High Impact Community Development Projects' in 31 Provinces of Afghanistan.

#### Capacity Building

- Training and Development programmes for Afghans.
- Support to Students, Defense Personnel among others.

*India had considerable presence in Afghanistan before Taliban's takeover.*

#### d. What does the change in India's stance signify?

**First**, there seems to be a definite realization that the **Taliban regime is there to stay** and no amount of pressure building will dislodge it from power at least in the near-medium term. There are indications of the development of some opposition to the Taliban in the Panjshir valley. However, there is also no indication of a popular countrywide upsurge which could push them out.

**Second**, there seems to be some convergence in the policy and strategic circles that **engagement, not complete detachment**, could be the key to **securing India's vital strategic interests in Afghanistan**. This needs to be done when the Taliban regime is still isolated internationally and therefore amenable to India's presence.

The complexity of circumstances in Afghanistan leaves very limited options, as summed by the US Officials: **Engage, Isolate, or Oppose**. The US officials say they are focusing on the first two options. India's approach appears to be similar.

**Third**, it shows that India is **unwilling to repeat the past mistake of 1996**, when New Delhi shut its embassy for 5 years, reducing Afghanistan to a strategic and intelligence black hole.

**Fourth**, it will give **India an opportunity to exploit the divisions** within the Taliban to win over the moderates and dilute the agenda of the hardliners.

**Fifth**, India understood that its **absence was working to the advantage of countries** who did not wish it to return and were using the space to restart proxy warfare.

#### e. What are the challenges in engaging with the Taliban?

**Lack of Legitimacy:** Taliban still doesn't command legitimacy of the majority population. It is controlling them by sheer use of force which may give rise to another civil war and bring instability in the region.

**Human Rights Violations:** The Taliban have excluded all non-Taliban Pashtuns from public space as is shown by the house detention of former President Hamid Karzai. There are also systematic violations of the human rights of the non-Pashtun communities which amount to crime against humanity, and ethnic cleansing which borders on genocide.

**Regressive Outlook:** Taliban is a predominantly Pashtun men-only regime which has imposed harsh restrictions on women at home. Its orthodoxy may bring more misery for women in future and undermine gender equality.

**Mistrust on Taliban:** Though there are indications of a policy shift but still there has been a high degree of mistrust on Taliban since the **Hijack of an Air India flight to Kandahar in 1999**.

**External State Influence:** Pakistan and China will place numerous barriers to diminish the growing closeness of India and Taliban. Since August 15, 2021, Afghanistan has descended from a **Pax Americana experiment to a "Pax Pakistana" ambition**.

#### f. What lies ahead?

**First**, for now, the **'engagement' formula seems to work for both**. Engagement by India will enhance the profile of the former insurgents and may even be the mark of an ice-breaking event following which other countries will follow suit. On the other hand, it may also allow India to moderate the radical stance of the Taliban. For instance, the Taliban has followed up with two back-to-back statements on **strengthening its defense relationship with India**. It is also offering to welcome former members of the **Afghan National Defense and Security Forces (ANDSF)** trained in India back to their jobs.

**Second**, India needs to frame a **comprehensive long-term policy of engagement** with all the stakeholders to ensure that peace and stability return to Afghanistan. The people of Afghanistan and not the current regime needs to remain at the centre of its declared Afghan policy.

**Third**, the prospects for peace and stability in Afghanistan under a Pax Pakistana lordship are not feasible as Pakistan itself is overwhelmed by multiple internal and external challenges. Afghanistan **needs a strong UN mandate**, including a UN-led political transition process supported by a UN peacekeeping force. India can lend its support to such endeavors which are worthy of its character, ambition and Afghanistan's needs.

#### g. Conclusion

India should work with other regional and global players to push the Taliban to adopt a more inclusive regime. At the same time, it should maintain a policy of gradual bilateral engagement rooted in realism.

#### i. India – Afghanistan relations:

Due to its geostrategic location, it has political significance. Afghanistan has been the centre of 'Great Games' and 'Graveyard of Empires'. The **Gandhar-Bharat Sambandha, often known as Afghanistan-India connections, refers to India's diplomatic ties with Afghanistan**. The unique aspect of India's Afghan relationship has been economic cooperation rather than military participation

- Along the Union Territory of Ladakh, India and Afghanistan share a 106 km long land boundary.
- According to the **UNODC Report 2021** on Afghanistan, "Afghanistan alone accounts for 85% of the global total production."

#### i. SIGNIFICANCE OF AFGHANISTAN FOR INDIA:

- **Geo-Strategic:**
  - **Location:** Connecting East, West, Central and North East Asia.
  - Proximity to important countries like Iran, India, China, and Russia.
  - Since the Cold War, the heart of the great game between the USA and Russia.
- **Regional balance of power:** Peace and stability in Afghanistan is linked to India's vision of regional leader and global power.
- **Friendship Treaty:** In 1949 India and Afghanistan signed a friendship treaty.
- **Countering Chinese Influence:** China through OBOR and other development initiative increasing its presence in the region.

- **Internal Security:** Afghanistan is the centre of radical ideology, drug trafficking and smuggling. Thus peaceful Afghanistan is necessary for regional security.
- **Fourth Regional Security Dialogue on Afghanistan:** The Indian National Security Advisor (NSA) called for strengthening Afghanistan's capacity to combat terrorism during the in Dushanbe (Tajikistan).
- **Geo-Economic:**
  - **Connectivity:** Important crossroads for commerce and trade as well as a gateway to landlocked Central Asia.
  - In 2017, the India-Afghanistan Air Freight Corridor opened for business.
  - **Mineral Wealth:** The US Geological Survey estimates that Afghanistan has mineral resources worth \$1 trillion, including those for copper, iron, and other metals.
  - **Energy Security:** Afghanistan has enormous undeveloped hydrocarbon reserves, including gas and oil. Additionally, it is a **crucial part of the TAPI pipeline.**
  - **Trade:** A Preferential Trade Agreement between India and Afghanistan allowed for certain categories (38 products) of Afghan dry fruits to obtain substantial tariff concessions, ranging from 50% to 100%.
  - **Aid:** India provided Afghanistan with \$4 billion in development aid between 2002 and 2021.
- **Geopolitical:**
  - **Neighbourhood First Policy:** By putting an emphasis on developing regional frameworks for security and prosperity that are people-centred, mutually beneficial, and inclusive.
  - **Countering OBOR (One Belt One Road) Initiative:** Afghanistan can be a strong partner for India through Chabahar port.
  - **Strengthening Claim for UNSC:** In a situation where even the United Nations mission in Afghanistan has relocated to Kazakhstan, India is giving humanitarian aid.
  - **Political Stability:** Stability in Afghanistan is in India's interest. The Delhi Declaration also underlined the necessity for Afghanistan to have an "inclusive government" that included members from all facets of society

#### **j. INDIA-AFGHANISTAN DEVELOPMENT PARTNERSHIP:**

So far the Indian involvement in Afghanistan has been centered on the needs of the people of Afghanistan. These have been in consultation with Afghanistan's elected government.

##### **Infrastructural development:**

- Indians have constructed major projects like the **Parliament Building in Kabul, the Zaranj Delaram highway project connecting western Afghanistan with the strategic Chabahar port in Iran** and the Salma Dam Project (Afghan-India Friendship Dam) which includes a power transmission line.
- Indian engineers are helping to construct the **Shahtoot dam near Kabul**
- India has also signed a trilateral preferential trade agreement with Afghanistan and Iran.

##### **Military and administrative cooperation**

- India is engaged in strengthening Afghan public institutions
- Technical advisers, training for Afghan public servants, policemen and soldiers.
- Supplying military hardware like military vehicles for the Afghan National Army and Mi-25 and Mi-35 choppers for the air force.

##### **Social development**

- India has provided **multiple scholarships to Afghan students**
- Providing vocational training and skill development classes to Afghan women and youth.
- Afghanistan was among the first countries to receive anti Covid-19 vaccination from India.
- **India's liberal visa policy has made it easier for Afghan patients to travel to India** which has further enhanced people-to-people interaction between the two countries.

##### **People to people contact**

- Indian cinema has a large market in Afghanistan.
- India's involvement and contribution to the development of cricket in Afghanistan has been one of its primary means of soft power influence in the nation

#### **k. DIALOGUE FOR PEACE IN AFGHANISTAN:**

##### **Delhi Declaration:**

- The Delhi Declaration reflects the long-standing, consistent approach India has taken to bringing stability and peace to Afghanistan.
- The Delhi Declaration on Afghanistan "emphasised that Afghanistan's territory should not be used for sheltering, training, planning, or financing any terrorist acts," which is another crucial part of the document

#### **Moscow Format**

- **Featuring the special envoys of Russia, Afghanistan, India, Iran, China, and Pakistan**, the regional platform on Afghanistan was established in 2017.

#### **Heart of Asia Conference (HOAC):**

- On **November 2, 2011, it was established in Istanbul, Turkey.**
- The Heart of Asia recognises the importance of an Afghanistan that is secure and stable for the development of the region as a whole by placing Afghanistan at its hub.
- This creates a framework for genuine and results-driven regional collaboration.
- It **consists of 13 supporting regional and international organisations, 14 participating nations, and 17 supporting nations**

#### **I. PREVIOUS YEAR QUESTION:**

1. The proposed withdrawal of the International Security Assistance Force (ISAF) from Afghanistan in 2014 is fraught with major security implications for the countries of the region. Examine in light of the fact that India is faced with a plethora of challenges and needs to safeguard its own strategic interests. **(2013)**

#### **j. India – Myanmar relations:**

Relationships between India and Myanmar are founded on common historical, ethnic, cultural, and religious links. Over 1600 kilometres of land separate India and Myanmar, and they also have a marine border in the Bay of Bengal. It **serves as a gateway to South East Asia because it is the only ASEAN nation to border India**. According to our "Act East" and "Neighbourhood First" Policies, India wants to increase its collaboration with Myanmar.

**These five Bs—Buddhism, Business, Bollywood, Bharatnatyam, and Burma teak—**frame perceptions of India-Myanmar ties.

#### **a. OVERVIEW OF RELATIONSHIP:**

- **Institutional Mechanisms:**
  - **National Level Meeting (NLM):** The primary discussion forum for security cooperation, consular matters, drug trafficking, and agency coordination was established by the Home Secretary.
  - **Joint Boundary Working Group (JBWG):** Boundary matters are discussed by Joint Secretary (BM), MEA.
  - **Joint Trade Committee (JTC):** Commercial issues are discussed in this held at the Commerce Minister level.
- **Development Cooperation:**
  - **Mainly Grant-based Fund:** India has provided more than \$1.75 billion in development aid to Myanmar as of late. Most of this support is funded via grants.
  - **Example:** The Rakhine State Development Programme, the Trilateral Highway Project, the Kaladan Multimodal Transit Transport Project, and the restoration and protection of Bagan's Ananda Temple are among the development initiatives.
- **Commercial Cooperation:**
  - **Trade agreement:** The two countries' bilateral commerce has gradually increased since they signed a trade deal in 1970. The current trade balance is \$1.75 billion USD. India is Myanmar's fifth-largest trading partner.
  - **Energy:** Given that future offshore gas discoveries can be routed to India, Myanmar has the potential to be a significant partner in the energy sector. now has a joint working group on cooperation in the oil and gas and power sectors.
  - **Investment:** With an approved investment of US\$ 771.488 million, India is ranked eleventh. among 13 Indian public sector enterprises operating in various industries in Myanmar.
- **Enhancing Connectivity:**
  - **International entry/ exit points:** Two international entry/exit points were officially opened in August 2018 at **Tamu-Moreh and Rih-Zowkhawthar**. There are steps being taken to make these two land border posts completely functioning.

- **Motor Vehicle Agreement:** Negotiations on it are also ongoing.
- **Other important connectivity projects includes:**
  - \$484 million **Kaladan Multimodal Transit Transport Project**
  - The **Trilateral Highway Project**, which is an East-West corridor connecting our Northeast with Myanmar and Thailand.
  - **Myanmar/ Malaysia-India Singapore Transit (MIST) Corridor:**
    - **About:** MIST is a global submarine cable communication network that will connect **Malaysia, Singapore, Thailand, Malaysia, and Myanmar with India**. The length of the MIST cable system is 8,100 kilometres.
    - **Significance:** With the major trunk route running from Tuas in Singapore to Mumbai in India, it will offer safe, reliable, strong, and reasonably priced communication facilities in Asia.
- **Disaster Relief:**
  - **Example:** In the wake of natural disasters in Myanmar, such as **Cyclone Mora (2017), Komen (2015), the earthquake in Shan State (2010), Cyclone Nargis in 2008**, etc., India has responded quickly and successfully by providing aid.
- **Culture:**
  - **Buddhist Heritage:** Given India's Buddhist background, there are strong cultural linkages and a shared sense of deep affinity between India and Myanmar.
  - **Example:** Several important initiatives in the repair and preservation of numerous damaged pagodas as well as the **restoration of Bagan's Ananda Temple**.
- **Security Cooperation:**
  - **Defence Cooperation Agreement:** India and Myanmar signed a Defence Cooperation Agreement in July 2019 with the intention of increasing military engagement.
  - **Exercises:** The **India-Myanmar Joint Army Exercise (IMBAX), the Indian Navy-Myanmar Navy (IN-MN BILAT), and the Joint Naval Exercise (IMCOR)** is also carried out by both nations.
  - **Operation Sunrise:** It targeted the camps of insurgent organisations active in the North East, and was carried out by the armies of India and Myanmar along the Myanmar border. Along the **Indo-Myanmar border, they also cooperate to obliterate a number of Arakan Army militant camps**.
- **Maritime Cooperation And Blue Economy:**
  - **Blue economy:** It is an important pillar of BIMSTEC where both countries are working together. Example: **Under India's SAGAR (Security and growth for all in the region) programme, India has built Sittwe Port**.

#### b. Significance of Myanmar for India:

- Myanmar is **geopolitically significant** to India as it **stands at the center of the India-Southeast Asia** geography.
- Myanmar is the **only Southeast Asian country that shares a land border with northeastern India**.
- Myanmar is the only country that sits at the **intersection of India's "Neighborhood First" policy and its "Act East" policy**.
- As part of India's **SAGAR Vision**, India **developed the Sittwe port** in Myanmar's Rakhine state.
  - The **port is meant to be India's answer to the Chinese-fronted Kyaukpyu port**, which is intended to cement China's geostrategic footprint in Rakhine.

#### c. Challenges for India

- **China's Influence on Northeast Insurgency:** Ever since the coup, China's economic grip over Myanmar has become tighter with a special focus on projects critical for the **China-Myanmar Economic Corridor**.
  - Moreover, the recent deadly attack on an Assam Rifles convoy near the Myanmar border was a reminder about the **proclivity of China for creating trouble in the Northeast**.
- **Rohingya Issue:** Aung San Suu Kyi's silence on the **Rohingya crisis in Myanmar** has only led to the plight of the hapless Rohingya take a backseat. This is **not in India's national security interest in the north-east**.
- **Porous Indo-Myanmar Border:** The 1643-km-long Indo-Myanmar border, which **facilitates cross-border movement of militants, illegal arms and drugs**, is extremely porous.
  - The border runs along hilly and inhospitable terrain and **provides cover to the activities of various Indian Insurgent Groups (IIGs)**.



#### d. RISING CHINESE FOOTPRINT IN MYANMAR:

- **Economic:** Myanmar's top trading partner is China. In 2019, the two countries' commerce was estimated to be worth USD 12 billion, or about one-third of all trade with Myanmar.
- **Connectivity:** Burma is a member of the OBOR project. As part of the BRI initiative, China has also suggested the **China-Myanmar Economic Corridor (CMEC)**
- **Energy:** At a total cost of USD 4.5 billion, China built a parallel natural gas and oil pipeline that runs from **Kyaukphyu City in Myanmar's Rakhine State to the Yunnan region of China.**
- **Defence:** Since 1988, China has been one of Myanmar's primary military suppliers. Myanmar purchased 1.3 billion dollars' worth of guns from the Chinese between 2010 and 2019, according to the SIPRI database.
- **Investment:** One of the major sources of Myanmar's FDI (Foreign Direct Investment), which as of March 2020 totalled USD 21 billion, has been China. China and Myanmar signed numerous Belt and Road Initiative projects in 2020. The construction of a deep sea port at Kyaukphyu, costing USD 1.3 billion, was one of the primary initiatives.

#### e. CONCERNS FOR INDIA:

- **Strategic Containment:** China benefits from strategically confining India and obstructing its access to the west and the east thanks to the Kyaukphyu and Gwadar ports.
- **Security of the North East:** The insurgency in India's north-eastern states could be fueled by China's presence in Myanmar. According to intelligence assessments, China provides funding and weapons support to numerous insurgency factions.
- **Debt trap diplomacy:** This strategy by China can force Myanmar to surrender strategic assets like ports to China.
- **Domestic Instability in Myanmar:** Some strategic experts believe the Chinese hand behind the recent coup in Myanmar to prevent it from joining the USA.
- **Connectivity:** India's gateway to ASEAN is Myanmar, and it is actively involved in significant connectivity initiatives like the **Mekong Ganga Cooperation, the IMT Trilateral Highway, and the Kaladan Transport Corridor.** The growing Chinese influence in Myanmar poses a threat to these initiatives.
- **Weakening of ASEAN:** Authoritarian governance in Myanmar has the potential to exacerbate ASEAN's divisions and erode its cohesiveness and ability to confront China.

#### f. MILITARY SEIZES POWER IN MYANMAR COUP:

The military has seized control of Myanmar for the third time since the country gained independence from British domination in 1948. The democratically elected leader **Aung San Suu Kyi has been imprisoned, and a one-year state of emergency has been declared.**

#### IMPACT ON INDIA

- **Cross-border movement:** There have also been reports of illegal commodities being transported and of persons moving across borders.
- **Impacting India's Act East Policy:** India's Act East policy, which has since 2014 grown more dynamic and outcome-oriented, has suffered as a result.
- **Growth of North East:** It has hampered growth in the Northeast and badly harmed India's efforts to reach out to the thriving economies of South East Asia.
- **Chinese Threat:** In addition, concerns about Chinese intelligence's interference in assisting these terrorist groups call for prompt action.
- **Security in India:** Security considerations for the indigenous players in the NER are sacrificed in favour of India's approach towards the military takeover in Myanmar.

#### k. India-Maldives Relations:

- India was one of the earliest countries to acknowledge the **independence of Maldives in 1965** and establish diplomatic ties with the nation.
- The prompt aid provided by India during the **1988 coup plot, known as 'Operation Cactus,'** played a crucial role in fostering trust and cultivating enduring and amicable bilateral relations with the Maldives

#### a. OVERVIEW OF THE RELATIONSHIP:

- **Economic:** A trade agreement was signed between India and Maldives in 1981. **India is Maldives' 4th largest trade partner.**
  - India climbed from the fourth position in 2018 to become Maldives' second-largest trading partner, with bilateral trade in 2021 experiencing a 31% growth despite pandemic obstacles.
  - India-Maldives bilateral trade in 2021 stands at US\$ 323.9 million with the trade balance in favour of India.
  - In order to assist Maldives in its economic recovery, India provided financial assistance of US\$ 250 million to Maldives in September 2020.
- **Defence:** India offers the highest number of training opportunities for the **Maldivian National Defence Force (MNDF)**, fulfilling approximately 70% of their defence training needs.
  - In April 2016, a comprehensive Action Plan for Defence was signed to strengthen the defence partnership.
  - Noteworthy initiatives in the defence sector include the **establishment of the Composite Training Centre for MNDF, the implementation of the Coastal Radar Surveillance System**, and the construction of the new Ministry of Defence Headquarters.
- **Disaster management:** India provided substantial aid to the Maldives after the **2004 tsunami and the 2014 Male water crisis**. Customized training programs for the MNDF Fire and Rescue Service were also offered in India.
- **Developmental Cooperation:** India has implemented notable development projects in the Maldives, such as the **Indira Gandhi Memorial Hospital, Maldives Institute of Technical Education, and the National College for Policing and Law Enforcement (NCPLE)**.
  - **Connectivity project:** India has also provided US \$500 million in assistance for the Greater Male Connectivity Project (GMCP), the largest civilian infrastructure project in Maldives, to connect Male to three neighbouring islands.
  - **Currency Swap:** A Bilateral US Dollar Currency Swap Agreement of \$400 million was signed between RBI and Maldives Monetary Authority (MMA) in 2019.
- **Covid related assistance:** A 14-member Rapid Response Medical team was deployed in the Maldives in March 2020 to guide and train the Maldivian authorities and personnel in tackling the Corona threat.
  - **Operation Sanjeevani:** As part of Gol's efforts to help friendly countries in tackling the Covid-19 threat, a special IAF plane airlifted 6.2 tonnes of essential medical supplies from India to Maldives on 2 April 2020

#### b. SIGNIFICANCE OF MALDIVES FOR INDIA:

- **Countering Radicalization:** More than 200 Maldivian youths have joined ISIS. Growing radicalization due to political instability and socio-economic uncertainty can give the opportunity for Pakistan to establish terror launch pads in Maldives.
- **Rising Chinese footprint:** Maldives is an important part of China's string of pearls strategy of Containing India. **China's policy of Debt Trap Diplomacy can give it access to strategic real estate in Maldives.**
  - China-Maldives Friendship Bridge, funded by Beijing with \$200 million, is one of several projects of China in the tropical South Asian nation renowned for its beautiful beaches and lagoons.
- **Economic:** Trade and commercial exchanges between India and Maldives have stagnated and need to match their potential. COVID-19 will hurt Maldives' economy and push it deeper into China's debt trap.
- **Political Instability:** India has expressed significant concern regarding the effect of political instability in the region on its security and development.
  - The **Yameen camp launched an "India Out" campaign against New Delhi's massive developmental funding** and demanded that the Solih administration "stop selling national assets to foreigners, implying India."

#### c. ISSUES:

- **Domestic political grievances:** Democratic institutions have experienced a decline in strength, leaving them vulnerable. Furthermore, if not governed effectively, fragile democracies may become susceptible to radical ideologies
- **Hub of terrorism:** The rise of Islamist radicalism in the island nation of Maldives is primarily fueled by political instability and socio-economic challenges.
  - Additionally, there is concern that Saudi Arabia has played a role in the radicalization of Maldives. In fact, **Maldives has recorded one of the highest per capita numbers of ISIS terrorists.**

- **China's influence in the Maldives:** India is growing increasingly concerned about China's expanding influence in the Maldives, largely driven by numerous investment projects led by Beijing.
  - The Maldives has now become a significant component of **China's strategic "String of Pearls" initiative in South Asia.**
- **Economical:** The bilateral trade between Maldives and India is currently at a very low level, and the two countries do not have a Free Trade Agreement (FTA) in place.
- **Anti-Indian sentiments:** The Maldives National Defence Force received training utilizing two **Indian Dhruv Advanced Light Helicopters.**
  - However, due to their military nature, certain individuals critical of India alleged that their provision indicated an establishment of a military presence in the country.
- **Lack of transparency:** There is frequent concern expressed about the lack of transparency surrounding the agreements being signed between the Solih government and India.
- **Misunderstanding of India's efforts:** There have been speculations suggesting that the UTF Harbour Project agreement between India and the Maldives, which aims to develop a coastguard harbour at **Uthuru Thila Falhu, might potentially be converted into an Indian naval base**

#### d. WAY FORWARD:

- **'India First Policy':** The present government of Maldives has announced its 'India First Policy'. India should use this opportunity to strengthen bilateral relations.
- **Security Partnership:** Strengthening defence partnership with a focus on maritime security to cement India's position as a **"Net Security Provider" in the Indian Ocean.**
- **Timely completion:** To counter Chinese gains in India, infrastructure projects must be completed on time. India can collaborate with Japan on connectivity projects.
- **Diaspora:** India should use its Diaspora more and use cultural elements like films, music, and people-to-people contacts to strengthen relations.

The successful bilateral cooperation between India and Maldives can serve as a valuable model for strengthening ties with other neighbouring countries, aligning with India's Neighbourhood First policy. India should continue its partnership in development with the Maldives to enhance and solidify the relationship

#### e. PREVIOUS YEAR QUESTION:

1. Discuss the political developments in Maldives in the last two years. Should they be of any cause of concern to India? (2013)

#### I. India – USA relations:

**Harsh Pant:** Reflexive anti-Americanism is no longer evident in Indian foreign policy.

**Amitabh Mattu:** Indo-US relations are going through a 'wow phase'.

**Barack Obama:** Overcoming the hesitation of the Past, "Most defining partnership of 21st Century

- India-US relations have evolved over the last seven decades, from being described as **'estranged democracies' to 'Natural Allies'**.
- They have evolved into a "comprehensive global strategic partnership" based on common democratic values and growing convergence of interests on bilateral, regional, and global concerns.
- PM Modi said that relations between India and US **are people-centric and people-driven**, and are important for the most important relationship of the 21st century.

#### a. DIFFERENT ASPECTS OF INDO-US RELATIONS:

The **Prime Minister of India addressing a joint session of the US congress** (a rare honour for a visiting leader from overseas) is evident of the fact that **India-US relations** are deepening and widening and is envisaged as **"a momentous development that will benefit not just the US and India, but the world at large"**.

The bilateral relations between India and the US are built upon various factors including the **increasing market size of the Indian economy**, **growing influence of the Indian diaspora** in American business and politics as well as their **consensus on the need of the hour to contain Chinese aggression.**

As the **US deepens its Indo-Pacific engagement** and **India solidifies its regional prowess**, the partnership between these democratic powerhouses has the potential to **reshape the geopolitical chessboard**.

### What is the Current Scenario of India-US Relations?

- **Economic Progress:** Bilateral trade between India and the United States has surged, reaching USD 191 billion in 2022, with **India becoming the 9th largest US trading partner**. India enjoys a trade surplus of USD 32.8 billion with the US, making it a critical export market and the most significant trading partner for India.
- **Political Like-mindedness:**
  - Both the countries have like-minded views about the efficiency of IPEF for continued growth, peace, and prosperity in the **Indo-Pacific region**.
  - India has also joined the US-led **Indo-Pacific Economic Framework for Prosperity (IPEF)**.
  - However, the two countries have quite contradictory responses towards the **Russia-Ukraine crisis, Afghanistan issue and Iran**.
- **Defence Cooperation:**
  - India, which could not access US weapons during the **Cold War**, has bought **USD 20 billion worth of arms over the last two decades**.
  - However, the incentive for the US is **helping India reduce its historical dependence on Russia** for its military supplies.
  - The armed forces of India and the US engage in extensive bilateral military exercises (Yuddha Abyas, Vajra Prahar) and minilateral ones with the four partners in the **Quad Forum (Malabar)**.
  - Another grouping in the **Middle East - I2U2** involving **India, Israel, UAE and the US** is being termed as the **new Quad**
  - The foundational defense agreements between India and the United States include **LEMOA, COMCASA, and BECA**. LEMOA allows logistical support, COMCASA enables secure communication, and BECA facilitates geospatial data sharing. These agreements enhance **military cooperation and interoperability between the two nations**.
- **Upcoming Developments:**
  - **Micron Technology** (a US company) will invest around USD 2.75 billion in the next five years to build a new **semiconductor** assembly and test facility in India.
  - This further involves **USD 400 million investment in 4 years** to set up a collaborative engineering centre along with the **training of 60,000 Indian engineers**.
  - The biggest takeaway is the deal between General Electric Aerospace and HAL to manufacture under licence **GE's F414 engine for India's light combat aircraft** - this deal marks the **end of the technology denial regime**.
- **India as a US Ally:**
  - Despite vast mutual, strategic interests of the two countries, **India cannot be termed as a 'US ally' due to its foreign policy approach of non-alignment**.
  - Indian leaders across parties and over decades have long prioritised foreign policy independence as a central feature of India's approach to the world.
  - Especially since the end of the Cold War, Indian leaders have sought to **improve ties with the US, but not by curtailing India's independent approach** to foreign policy.
- **India's 'Multi-Aligned' Foreign Policy:**
  - The PM of India has described the **"world as one family" (vasudhaiva kutumbakam)**, to frame Indian diplomacy.
  - This approach has been termed **"multialignment,"** - seeking positive ties as far and as widely as possible.
  - Along this theory, India has carefully managed its relationships with **Saudi Arabia as well as Iran; with Israel as well as the Palestinian Territories; with the US as well as Russia**.
  - India has reserved the right to engage with those who aren't the US allies - Russia, Iran and even China - if its **national interests dictate such a need**.

### What are the Major Challenges between India and the US?

- **US Criticism of India's Foreign Policy:**

- If the **Indian elite has long seen the world through the lens of non-alignment**, alliance relationships have been at the heart of US' foreign policy since the **Second World War**.
- **India's policy of nonalignment especially during the Cold War** has always been a point of concern for the West, especially the US.
- After the 9/11 attacks, the US asked India to dispatch troops to Afghanistan; the **Indian military vetoed the request**.
- When the US invaded Iraq in 2003, even then **India's erstwhile PM withheld military support**.
- Even today, **India refuses to toe the American line on the Russian-Ukraine war** and its **import of cheap Russian oil** continues to break records.
- Pro-US voices have often been raised demanding India to get "**on the right side of history**".
- **India's Engagement with US Adversaries:**
  - India has criticised the **US decision to block Iranian and Venezuelan oil** from the open market.
  - India has **actively worked to bring Iran into the SCO** (Shanghai Cooperation Organization).
  - India has also held **18 rounds of talks with China** to resolve the **border dispute** besides remaining a key participant in the China-backed **Asian Infrastructure Investment Bank**.
- **US' Criticism of India's Democracy:**
  - Various US organisations and foundations, from time to time, with the tacit support of some Congressmen and Senators, come out with **reports questioning the present state of democratic discourse, press and religious freedom and condition of the minorities in India**.
  - Some of them include the **International Religious Freedom Report 2023** and the **Human Rights Report on India 2021** by the US State Department.
- **Economic Tensions:**
  - The **Atmanirbhar Bharat Campaign** has exacerbated the view in US that **India is increasingly becoming a protectionist** closed market economy.
  - Effective since June 2019, the **USA decided to withdraw duty-free benefits to Indian exporters under the GSP programme** affecting India's export-oriented sectors such as pharma, textiles, agri products and automotive parts.

#### **What can be Done to Improve the India-US Relations?**

- **Moving Ahead with Multi-Alignment:** With the Ukraine-Russia conflict, global powers have been realigning into new groupings. India has a tough task of walking a very tightrope between Russia and the US. India's approach, till now, has been in the best of its national interests and must continue to be so.
  - **India shall calibrate this balancing act and bring dialogue and diplomacy** to resolve strong differences, and **not be part of the ever-widening chasm** which can only result in **repercussions that go against world peace**.
- **Leveraging the Best Common Interest:** The new India-US defence partnership makes it possible to **conceive of an Asia that is not vulnerable to domination by any one power**.
  - Increasing defence cooperation among the two countries will also **help India bridge the massive gap in military capabilities with China** with strong support from the US.
  - Both **India and the US have a strong interest in stabilising the Asian balance of power** and coping with the geopolitical churn triggered by China's rise and Beijing's assertiveness in Asia.
- **Economic Intermingling:** Indo-US economic engagement needs more ballast with **greater flows of investment and trade**. US investments in India are pegged at \$54 billion, which **represent less than 1% of its global investments**. Also, India, too, needs to increase investments in the US, **creating interdependencies between the two nations is crucial**.
  - Bolstering India's strategic partnership with the US is critical for it to become a developed nation by encouraging manufacturing-led export growth and infrastructural development. This cannot succeed without **greater access to the US market and technological cooperation**.
  - The **India-US iCET** is a step in the right direction.
  - India's economic rise would be in the US' interest just as much as US leadership of technology enablers and global affairs would be in India's.
  - This reality **must not be lost in noise over India's neutrality** on the world stage and its **refusal to be bound by a NATO-like-bloc**.

- **Cooperation in Sustainable Development:**

- Initiatives like the **revamped US-India Strategic Clean Energy Partnership (SCEP)** exemplify cooperation in fostering the growth of renewable energy deployment in India.
- The US can **further assist by facilitating access to funds for India's ambitious goals.**
- By deepening the partnership on clean energy and climate action, both nations can achieve their global climate goals while fostering economic growth, job creation, and energy security.

- **Engaging Private Sectors:** Many CEOs are now adopting a **"China plus one" strategy**, seeking to diversify their supply chains. Recently, **Apple's decision to establish its first retail store in India** not only enhances the country's attractiveness to other tech companies but also **showcases its capability to produce cutting-edge technology** and strengthen its **manufacturing potential**.

- This move is a crucial indication that companies are diversifying their supply chains away from China.
- India can also signal its readiness to become a hub for chip manufacturing and case manufacturing **leveraging US' assistance or the same.**

- **Expanding Coverage to Food Security:** In addition to national security, food security is of equal importance to India, if not more – which, however, is being threatened by **climate change with increasing temperatures affecting poorer nations disproportionately (India being no exception).**

- The US is at the forefront of technologies not just in defence, space, and semiconductors but also in agriculture.
- The **next round of US-India collaboration shall involve a special attempt to include food and agriculture** as one of the core areas of cooperation.
- It has the potential to do good to the maximum number of people in the developing world, be it in Asia or Africa.

### Conclusion

- The Indian prime minister put it during his address to the joint session of the US Congress -
- **"In the past few years, there have been many advances in AI — Artificial Intelligence. At the same time, there have been more momentous developments in another AI — America and India."** This reflects the growing relation between India and USA in the past recent years.

### b. ENERGY COOPERATION: US-INDIA STRATEGIC ENERGY PARTNERSHIP:

Recently, the revamped **US-India Strategic Clean Energy Partnership SCEP** was launched during the ministerial meeting of the Petroleum and Natural Gas Ministry with the US Ministry of Energy.

- The SCEP was launched in accordance with the **US - India Climate and Clean Energy Agenda 2030 Partnership** announced by both countries at the **Leaders' Summit on Climate** held earlier this year (2021).

### Key Points

- **US-India Agenda 2030 Partnership:**

- The aim is to create stronger bilateral cooperation on actions in the current decade to meet the goals of the **Paris Agreement**.
- **The Partnership will proceed along two main tracks:** the Strategic Clean Energy Partnership and the Climate Action and Finance Mobilization Dialogue.
- India elevated the India-US energy dialogue to a **strategic energy partnership** in 2018.

- **Revamped Strategic Clean Energy Partnership (SCEP):**

- Addition of a fifth Pillar on **Emerging Fuels (cleaner energy fuels)**.
- With this, the **SCEP inter-governmental engagement** now spreads across **five pillars of cooperation** - Power and Energy Efficiency, Responsible Oil and Gas, Renewable Energy, Sustainable Growth and Emerging Fuels.
- Support India in achieving its goal of installing **450GW of renewable energy capacity by 2030**.
- A new **India-U.S. Task Force on Biofuels** was also announced.

- **Reviewed India-US Civil Nuclear Energy Cooperation:**

- The Indo-US nuclear cooperation agreement was **signed in 2008**.
- A major aspect of the Deal was that the **Nuclear Suppliers Group (NSG)** gave a special waiver to India that enabled it to sign cooperation agreements with a dozen countries.

- **Transformation of the Gas Task Force:**



- It will be the **India-US Low Emissions Gas Task Force**.
- It will focus on addressing India's natural gas policy, technology, and regulatory barriers by promoting **efficient and market-driven solutions aimed at meeting India's growing energy demand, and greenhouse gas emission reduction targets**.
- **Institutionalism of India Energy Modeling Forum:**
  - Six Task Forces were constituted for carrying out **research and modelling in different areas**.
  - There will be deliberations on Energy Data Management, Low Carbon Technologies and Just Transition in the Coal Sector.
- **Expanded the Scope of (PACE)-R Initiative:**
  - Agreed to include **smart grid and grid storage** as part of the second phase of the **Partnership to Advance Clean Energy (PACE)-R initiative** anchored on the Indian side by the Department of Science & Technology.
- **Recent Updates on US-India Relations:**
  - **Malabar Exercise:** The Navies of the **Quad (Quadrilateral Framework) Nations (India, the United States, Japan, and Australia)** participated in the 25<sup>th</sup> edition of the exercise.
  - **India-US Agreement on ALUAV:** India and the US have signed a **Project Agreement (PA)** to jointly develop an **Air-launched Unmanned Aerial Vehicle (ALUAV)** or drones that can be launched from an aircraft.
  - **Issues in Free Trade Agreement:** The US administration has indicated that it is no longer interested in securing a bilateral Free Trade Agreement (FTA) with India.
  - **NISAR:** NASA and ISRO are collaborating on developing an **SUV-sized satellite called NISAR**, which will detect movements of the planet's surface as small as 0.4 inches over areas about half the size of a tennis court.

### c. INDIA AS A COUNTERBALANCE TO CHINA:

Recently, the **Trump administration declassified a document** which asserted that a **strong India**, in cooperation with like-minded countries, would **act as a counterbalance to China** in the **strategic Indo-Pacific region**.

- The document on the **USA strategic framework for the Indo-Pacific** from 2018 outlines objectives, challenges and strategies with regard to China, North Korea, India and other countries in the Indo-Pacific region.

#### Key Points

- **Challenges for USA:**
  - Maintaining **USA's strategic primacy in the Indo-pacific** and **stopping China** from establishing illiberal spheres of influence.
  - Ensuring that **North Korea does not threaten the USA**.
  - **Advancing the USA economic leadership globally** while pushing fair and reciprocal trade.
- **Aspects Related to India:**
  - India is a **preferred partner on security issues** and to cooperate to preserve maritime security and **counter Chinese influence** in South Asia and Southeast Asia. To achieve this, **USA aims to:**
    - **Support India's aspiration to be a leading global power**, highlighting its compatibility with the USA, Japanese and Australian vision of the Indo-Pacific.
    - Work with India **"toward domestic economic reform"**.
    - **Enhance defence cooperation** and interoperability.
    - **Provide greater leadership roles for India** in the **East Asia Summit** and **ASEAN Defence Ministers' Meeting Plus**.
    - **Support India's Act East policy**.
- **India vis-a-vis China:**
  - **Help India addressing disputes with China:** USA aims to support India via military, diplomatic and intelligence channels to **help address continental challenges** such as the **border dispute with China** and resolution of disputes over rivers, including the **Brahmaputra** and other rivers facing diversion by China.
  - **Supporting India's reservations against Belt Road Initiative:** USA seeks the transparent infrastructure-debt practices in the countries facing debt due to Chinese financing under **Belt Road Initiative**.
  - **Working with India and Japan:** To help finance projects that enhance regional connectivity between India and countries of the region.

#### Way Forward

- **Maintain interest oriented balancing:** India should realise its rising global power and rather than getting enmeshed in USA-China rivalry, it should prioritize its own interests and growth by maintaining peaceful mutual relationships.
- **Promote Multilateralism:** India can promote new multilateralism under the aegis of **Vasudhaiva Kutumbakam**- which relies on restructuring both the economic order and societal behaviour for equitable sustainable development.

#### d. COOPERATION AT GLOBAL LEVEL:

- **US support for India's permanent membership in UNSC:** The U.S. has expressed support for India's permanent membership in a reformed U.N. Security Council and for India's early membership in the Nuclear Suppliers Group.
- **Global Development Partnership Deal:** The India-US Global Development Partnership has been extended for another five years. The **Global Development Partnership Agreement provides for collaborative support to partner countries.**
- **Triangular Cooperation for Global Development:** Statement of Guiding Principles (SGP) on Triangular Cooperation for Global Development, extending the pact's validity up to 2026.
- **FTF ITT:** Feed The Future India Triangular Training Program (FTF ITT) for Africa under GDP

#### e. INDO-US COOPERATION DURING PANDEMIC:

- **Raw material for vaccine:** The US has diverted its pending orders of vaccine filters to India's vaccine manufacturers and has also identified sources of specific raw material urgently required for Indian manufacture of the vaccines. It will help India make more vaccines.
- **COVID-19 test kits:** It had sent C-5M Super Galaxy transport aircraft with oxygen cylinders, medical equipment, and COVID-19 test kits to India

#### f. GENERALISED SYSTEM OF PREFERENCE (GSP):

- **Duty-free entry:** GSP aims to promote economic development by allowing duty-free entry for thousands of products from developing and least developed countries.
- In **2017, India was the program's top recipient**, with USD 5.7 billion in exports to the US.

Tellis held that despite their shared affinities of constitutional democracy, liberal politics, and civic nationalism, the United States and India have not enjoyed consistently warm relations because of contrasts in worldview, differences in national priorities, and asymmetries in power capability, which lasted in their strongest form until the end of the Cold War.

India is establishing itself as a vital actor in an international system that is undergoing extraordinary transformation. It will study opportunities to further its critical interests based on its current status.

#### g. PREVIOUS YEAR QUESTION:

1. "The USA is facing an existential threat in the form of China, that is much more challenging than the erstwhile Soviet Union." Explain. **(2021)**
2. What is the significance of Indo-US defence deals over Indo-Russian defence deals? Discuss with reference to stability in the Indo-Pacific region. **(2020)**
3. What introduces friction into the ties between India and the United States is that Washington is still unable to find for India a position in its global strategy, which would satisfy India's national self-esteem and ambitions. Explain with suitable examples. **(2019)**
4. India and the USA are two large democracies. Examine the basic tenets on which the two political systems are based. **(2018)**

#### m. India and North-Eastern Neighbours:

External Affairs Minister recently indicated that Bangladesh, Bhutan, Myanmar and Nepal were India's most trusted global partners along with Japan and members of the ASEAN

- The northeast region shares international borders of 5,812 km
- Neighbouring countries include **China, Bangladesh, Nepal, Bhutan and Myanmar**

### Significance of trusted relation with North-eastern neighbours for India:

- **Development in Northeast region (NER):** Better trade with East Asia can spur rapid growth of India's underdeveloped NER.
- **Security of North- eastern region:** Engagement with neighbouring Nations is pertinent in presence of an aggressive China
- **Geopolitical:** Greater engagement with region provides India a stronger diplomatic and economic foothold
- To connect with Southeast Asia under the Act East Policy
- **Integration with regional and global supply chains:** with countries like Bangladesh, Vietnam, Thailand, and Malaysia becoming major manufacturing hubs

### Measures taken to improve relations with North-eastern neighbours:

- **Act East policy:** It strengthens India's interaction with its south-eastern neighbours in three important domains: commerce, culture and connectivity
- Partnership with regional and multilateral Organisation in the east such as **ASEAN, ARF, EAS, BIMSTEC, ACD, MGC and IORA** to develop better relationships with its neighbours
- **Connectivity projects:** Infrastructure Projects are underway such as **the India-Myanmar-Thailand (IMT) trilateral Highway, Kaladan multi-modal transit transport (KMMTT)** and a railway that links Akhaura in Bangladesh to Agartala

### Major issues/areas of concern:

- **India's security concerns:** lack of resources, poor border infrastructure and boundary disputes with countries like China
- **The narcotics industry feeling crimes against the state:** The sub-region joining Thailand, Laos and Myanmar (called the "Golden Triangle") promotes drug trafficking and insurgent Groups
- **Refugee problems in northeast India:** Due to low population density, open borders etc
- Long delay in completion of connectivity projects like **trilateral IMT Highway** due to bureaucratic and procedural issues on the Indian side
- India's economic slowdown and inward orientation expressed through the **decision to stay out of the RCEP agreement disappointed regional business**
- India's limited capacity to provide development assistance, market access and security guarantees

### Way Forward:

- **Improving connectivity:** Apart from completion of existing projects improving air and maritime connectivity should also be high on the agenda
- Focusing new areas of cooperation like **digital technologies**
- **Leveraging cultural linkages:** India's cultural diplomacy through Indian government's "Buddhist Circuit" initiative should resonate with East Asian nations
- **Strategic cooperation:** Particularly in the maritime domain where China has demonstrated increasingly assertive behaviour
- Enhancing bilateral trade through regular high-level consultations and meetings
- Strengthening Institutions like **SAARC**

This centrality of neighbours in India's foreign policy stems from the clear understanding that a peaceful periphery is essential for India to achieve her multifarious developmental goals. Moreover, India firmly believes that a stable and prosperous South Asia will contribute to India's own prosperity.

### 3. Indian Ocean Region:

Indian Ocean is the **third largest water body in the world**. Sometimes, the Indian Ocean is also known as ‘**sea of stability**’. Indian Ocean is a lifeline to the international trade and transport as it carries one third of the world’s bulk cargo traffic and two thirds of the world’s oil shipments. **Indian Ocean contains a great degree of wealth in the form of abundance of oil, natural gas, minerals**. The region constitutes the lifeline to drive the economic vibrancy in Asia and Europe.

The **strategic and economic pivots are shifting to make the Indo-Pacific generally**, and the Indian Ocean Region (IOR) more specifically the centre stage of virtually every major power. However, while the attention of other countries on IOR is fairly recent, India has maintained trade and civilizational links with other countries in the region since the time immemorial. These links were developed without recourse to military conquest, instead by people-to-people engagements.

#### Significance of Indian Ocean

The **Indian Ocean basin is of particular importance for India as the region’s most populous country and geopolitical keystone**. India’s **90% of trade by volume and almost all oil imports come via sea route** which underscores the significance the region.

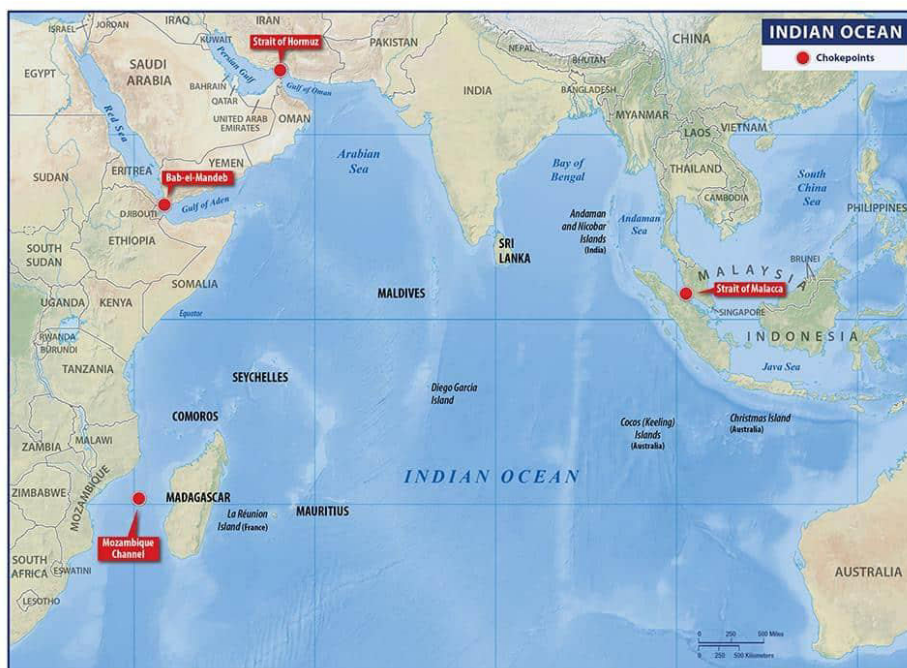
#### Economic

- The Ocean is a valuable **source of mineral and oil resources**. **Forty per cent of the world’s offshore oil production takes place in the Indian Ocean basin**. India is also the fourth-largest importer of liquefied natural gas (LNG), with about 45 per cent coming by sea.
- The **sea lanes** in the Indian Ocean are considered among the most strategically important in the world which sustain Asia’s largest economies including India.
- **Securing Sea lanes of Communication:** In the Indian Ocean, **three major Sea Lanes Of Communication (SLOCs)** play a crucial role in the energy security and economic prosperity:
  - SLOC connecting the **Red Sea to the Indian Ocean through the Bab al-Mandab** (that transports the bulk of Asia’s international trade with its major trading partners in Europe and America),
  - SLOC connecting the **Persian Gulf to the Indian Ocean through the Strait of Hormuz** (transporting the bulk of energy exports to major import destinations like India, **ASEAN**, and East Asia),
  - SLOC connecting the **Indian and Pacific Oceans through the Straits of Malacca** (integral to the smooth flow of trade with ASEAN, East Asia, Russia’s Far East and the US).
  - **Fishing** in the Indian Ocean accounts for almost **15 per cent of the world’s total**.
  - The Indian Ocean region transports **75% of the world’s maritime trade and 50% of daily global oil consumption**.

#### Deep Sea Exploration

- In 2002, International Seabed Authority under UNCLOS granted permission to India to **explore ocean regions and prospect for precious metals**.
- **Deep seabed polymetallic sulphides (PMS)** contain iron, copper, zinc, silver, gold and platinum in variable constitutions.

#### Strategic and Security



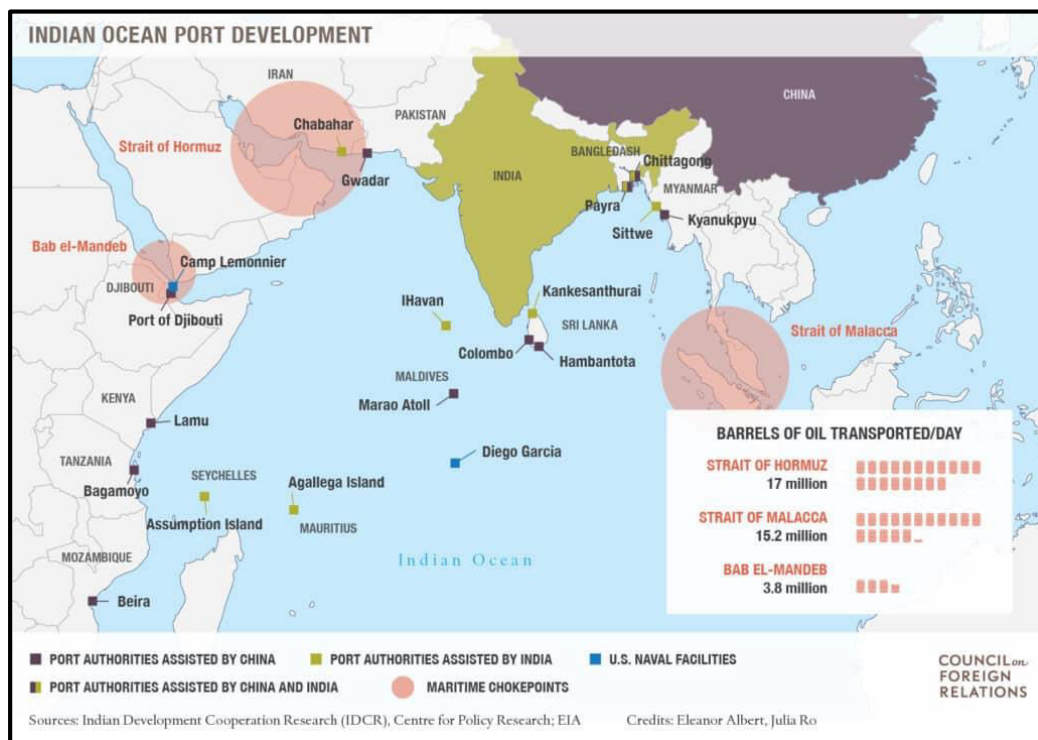
- India has a coastline of about 7500 km, and a large population is dependent on the fishing sector. Therefore, the **security in the region is vital for coastal security** as well as economic development.
- **Terror attack in Mumbai stresses the need to ensure the security of the region.**
- The region is a witness to continually evolving strategic developments including the competing rises of China and India, the US interventions in Iraq and Afghanistan, potential nuclear confrontation between India and Pakistan, terrorism, piracy in and around the Horn of Africa.
- The **Straits of Hormuz, Malacca, and the Bab el Mandeb are some of the choke points.** These choke points are strategically important for global trade and energy. Countries like USA, France and others maintain a naval presence in the Indian Ocean.
- China's special emphasis towards **Indian Ocean (through its Silk Road project and growing cooperation with the littoral nations)** as well as its **formation of the blue water navy** increases the importance of the region.
- **'Pivot to Asia' policy of USA and 'OBOR & String of Pearls of China'** has increased the strategic significance of the region.
- The **docking of Chinese warships and submarine in Hambantota sent a disquieting signal for India.**

### Role of India in Indian Ocean

Indian Ocean serves as a strategic bridge with the nations in India's immediate and extended maritime neighbourhood. The national and economic interests of India are inseparably linked up with the Indian Ocean. The role of India in the region is evident in its vision of 'SAGAR', which means ocean and stands for "Security and Growth for all in the region".

#### Net Security Provider

- The **Indian Ocean has always enjoyed a place of prominence in global strategy.** Many nations have established a presence in the region to ensure their strategic interests. However, **India has always been a keen supporter to the cause of keeping the Indian Ocean a Zone of Peace.**
- India's new vision for maritime security is comprehensively articulated in "**Ensuring Secure Seas: Indian Maritime Security Strategy**", a document by the Indian Navy which clarifies that the Indian Navy's interest areas cover the **Red Sea, Gulf of Oman, Gulf of Aden, IOR Island nations, Southwest Indian Ocean and East Coast of Africa** littoral countries among many other nations and areas.
- The **emergence of piracy and maritime terrorism** has become one of the major threats to the stability in the region.
- **Malabar Exercise and other bilateral exercises** with countries like Indonesia and re-engaging with the Indian Ocean Region (IOR) and South Pacific, island nations signal India's preparedness for a critical role in the region.
- India's security efforts in the Indian Ocean have already begun to take concrete shape with the transfer of the **Indian-made patrol vessel Barracuda to Mauritius, the deployment of P-8I aircraft to Seychelles** for surveillance of its exclusive economic zone, the agreements to develop connectivity infrastructure in Agalega in Mauritius.
- **India's only 'Tri-Service Command' at Andaman and Nicobar Islands** is working on expanding the military effectiveness of its outpost at the juncture of Bay of Bengal and Andaman Sea.





## Humanitarian and Disaster Relief Operations

- India has been playing an active role in humanitarian and disaster relief operations. It not only rescued citizens of India, but also provided assistance to other countries.
- For example, Indian efforts have been extended to disaster relief in other countries, like **assistance to Indonesia and Sri Lanka following the 2004 tsunami, to Myanmar after Cyclone Nargis, to Bangladesh after Cyclone Sidr, and to Sri Lanka after Cyclone Roanu.**
- In 2014, under **'Operation Neer'** India dispatched 'water aid' to the Maldivian capital of Male, after a fire destroyed the generator of its biggest water treatment plant.

## Blue Economy

- To realise the blue economy potential, the Ministry of Shipping has launched the **'Sagarmala Project'**, a strategic initiative for **port-led development through the extensive use of IT** enabled services for modernisation of ports.
- **'Blue Economy'** is based on using **locally available resources and employ renewable inputs that addresses the problems of resource scarcity** and enables sustainable development.
- According to Niti Aayog, the development of Blue Economy can serve as a growth catalyst in realizing the vision to become a \$10 trillion economy by 2032. As quoted by Hon'ble Prime Minister of India **"Blue Chakra of India's national flag represents the potential of the Blue Economy"**.

## Diaspora and Cultural Exchanges

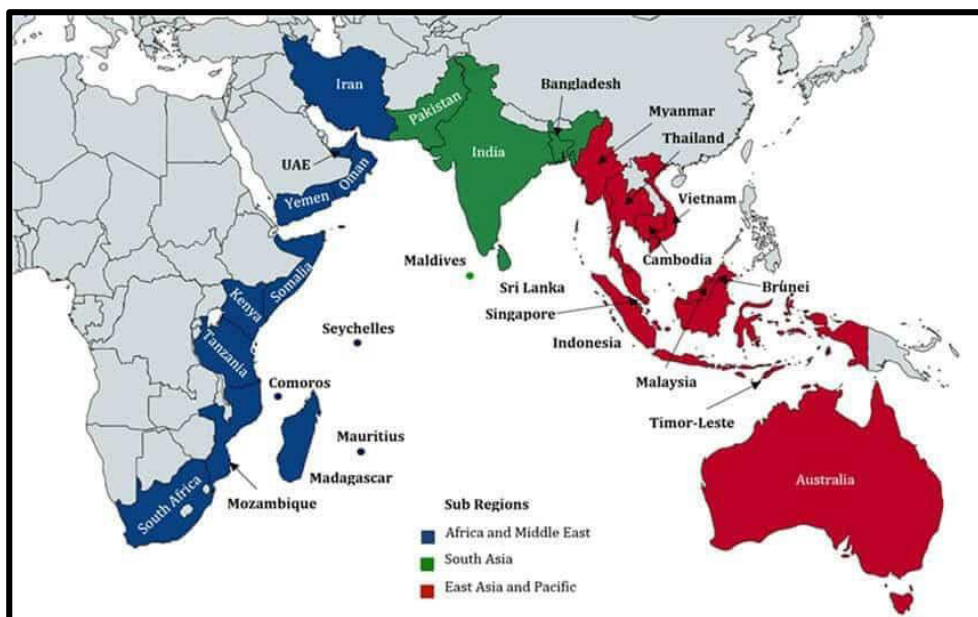
- **The Ocean of Churn:** Merchants and artisans who settled in these regions over millennia brought with them their cultural ethos and traditions. The region accepted these visitors as their own and in turn, the fusion that arose saw the creation of amazing shared cultures, not bound by political boundaries or the monopoly of any single nation. **The engagement of Indian Diaspora in the region through Pravasi Bharatiya Diwas is increasing their role in India's growth story.**

## Space Technology

- **NavIC:** It stands for **Navigation with Indian Constellation, which is India's indigenous global navigation satellite system.** The **Indian Regional Navigation Satellite System (IRNSS)** would be useful in land, sea and air navigation. The operationalization of NavIC will have significant implications for the whole of south Asian region. This will be especially handy during the natural and manmade disasters.
- **South Asia Satellite or GSAT-9:** The launch of the satellite will help to achieve effective communication; better governance, better banking and better education in remote areas; more predictable weather forecasting, land monitoring and efficient resource mapping; linking people with top end medical services through telemedicine; and a quick response to natural disasters in the region.

## Indian Ocean Policy

- The **India Maritime Security Strategy** published by the Indian Navy articulates country's policy in the Indian Ocean region. It states that in the Indian Ocean region, India is committed to:
  - Ensuring a safe, secure and stable Indian Ocean Region;
  - Deepening security cooperation, through increased surveillance and monitoring with regional partners;





- Forging a multilateral cooperative maritime security initiative in the Indian Ocean to combat terrorism and piracy;
- Deepening cultural linkages with the people in region; and
- Building Indian Ocean Region as a frontier of sustainable economic development.

India's preparedness for its critical role in the region is seen in the **Joint Strategic Vision with the US, Japan's inclusion into the Malabar Exercise, bilateral exercises with countries like Japan, Australia and Indonesia, and signing of Mutual Logistics Support Agreements with US, France and Singapore.**

India's Indian Ocean policy is centered on providing **security and political stability to its "maritime neighbourhood"**, which includes the Maldives, Mauritius, Seychelles and Sri Lanka, in the face of China's expanding naval and strategic activities in the Indian Ocean.

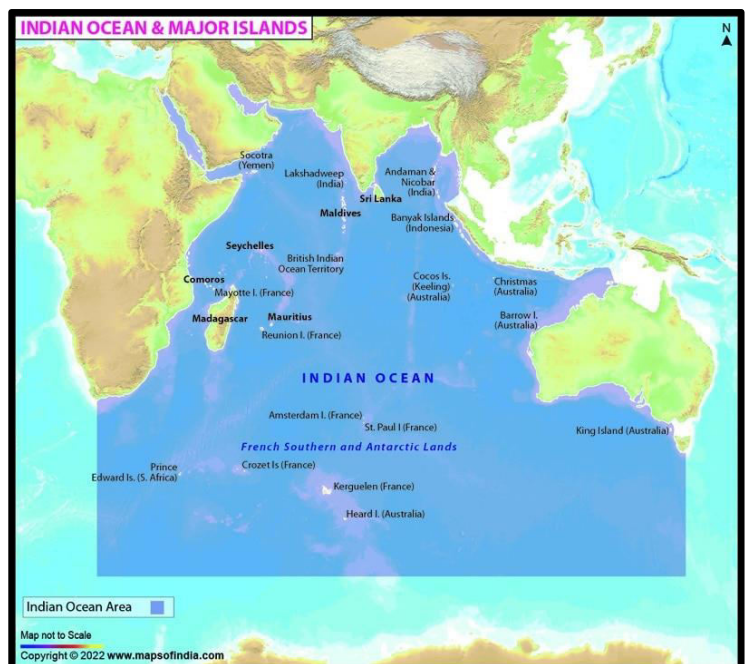
**Project Mausam:** It would allow India to **re-establish its ties with its ancient trade partners and re-establish an "Indian Ocean world" along the littoral of the Indian Ocean.**

### Regional Groupings in Indian Ocean

The region boasts of established regional organizations like **SAARC, BIMSTEC, ASEAN, GCC in the Gulf, IORA**, etc. **Indian Ocean Rim Association** for Regional cooperation, also known as Indian Ocean Rim Association (IORA) is specifically dedicated to the Indian Ocean.

#### Indian Ocean Rim Association

- It is an inter-governmental organisation aimed at strengthening regional cooperation and sustainable development within the Indian Ocean region through its **23 Member States bordering the Indian Ocean and 10 Dialogue Partners.**
- It was **formed in 1997** and its **secretariat is in Mauritius.**
- The **IORA is a regional forum, tripartite in nature**, bringing together representatives of Government, Business and Academia, for promoting co-operation and closer interaction among them.
- It is **based on the principles of Open Regionalism for strengthening Economic Cooperation** particularly on Trade Facilitation and Investment, Promotion as well as Social Development of the region.
- The **members** include Australia, Bangladesh, Comoros, France, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Mauritius, Mozambique, Oman, Seychelles, Singapore, Somalia, South-Africa, Sri Lanka, Tanzania, Thailand, United Arab Emirates, Maldives and Yemen.
- **Significance:**
  - Regional cooperation among IORA countries will become increasingly important in order to ensure the safety and security of vital trade routes, particularly the choke points.
  - It will help India to ensure the freedom of navigation and over flight over the region.
  - Issues related to **Blue Economy and Piracy** will be addressed to ensure maritime safety and security.
  - The IORA provides an effective multilateral platform that facilitates realization of untapped opportunities for prosperity, peace and development of the region through greater interactions.



### Challenges for India

The new **Indian Maritime Security Strategy (IMSS-2015)** is an exposition of India's nautical challenges, existing maritime practices, shifting technological trends, and evolving operational posture at sea. Recent developments in the IOR have given India's security agencies reasons to be worried about the growing threats in the IOR.

### Maritime Security (Terrorism, Piracy and Drug Trafficking)

- **India will have to contend with non-state actors such as those who carried out the 2008 Mumbai attacks;** and an arc of instability on the IOR periphery, which is the locus of problems such as **Somali piracy, Makran coast drug trafficking and the ongoing conflict in Yemen**, where India conducted a well-executed non-combatant evacuation operation (NEO), Operation Rahat, in April 2015.
- **Migration and human trafficking in South and Southeast Asia too has registered a surge in numbers.**
  - For example, rise in refugee movement from Bangladesh and Myanmar (Rohingya Crisis) has resulted in a humanitarian crisis of unprecedented proportions.

#### **Climate Change and Indian Ocean Region (IOR)**

- **Climate change may render the Indian Ocean nations vulnerable to stronger and more frequent and higher storm surges.** Most people in IOR live in big coastal cities with large supporting infrastructure such as **port facilities and oil refineries.**
  - In the event of a severe climate crisis, the risk of damage to coastal infrastructure – including **naval docking and shore facilities – is very high.**
  - Submergence will cause loss of livelihood, migration, conflicts which may create crisis in the region.
  - Monsoonal nature of Indian agriculture and other countries will be impacted by variability in weather patterns leading to loss of yield and farmer distress.
  - **Warming of ocean will impact fisheries sector and Coral ecosystem** on which huge population of the region is dependent.
  - **The Alliance of Small Island States (AOSIS)** which is a coalition of small island and low-lying coastal countries, share similar development challenges and their vulnerability to the adverse effects of global climate change. **Comoros, Maldives, Mauritius and Seychelles are the members of this UN recognized intergovernmental grouping.**

#### **China's Presence in Indian Ocean**

- **China's aggressive soft power diplomacy has been the most important element in shaping the Indian Ocean strategic environment, transforming the entire region's dynamics. By providing large loans on generous repayment terms, investments, offering military assistance and political support, China has secured considerable goodwill and influence among countries** in the Indian Ocean region.
- **China has become the largest lender of Sri Lanka replacing Japan.** Kenya offers another example of how China has been bolstering its influence in the Indian Ocean.
- China's submarine and surface forces are growing both qualitatively and quantitatively, and these forces are expanding operations beyond their traditional areas. Example: **Docking of Chinese submarine at Hambantota Port, Sri Lanka.**
- China through its presence of maritime silk road and developing of a Blue Water Navy with its aggressive policy of expansion will pose a security threat to Indian Ocean as it has done in other Seas like South and East China sea.

#### **Challenge Posed by Pakistan**

- With regards to Pakistan, the **establishment of a Naval Strategic Force Command in 2012 could portend a future in which Pakistan employs nuclear weapons at sea.**
- **State sponsored terrorist activities** as well as other terrorist organisations based in Pakistan use Indian Ocean, as in Mumbai terror attack in 2008, to spread its terrorist activities.
- **Pakistan's move to acquire at least eight diesel submarines fitted with air-independent propulsion systems from China in the 2023-2028** time frame adds more uncertainty to this subsurface mix. Operational control over Pakistan's Gwadar port will help China to encounter the Indian Navy directly.

#### **Way Forward**

- The Indian Ocean Region needs a **sustainable and inclusive framework for international partnerships.** India needs to further **elevate, strengthen and deepen its security cooperation with regional partners** such as Sri Lanka, the Maldives, Seychelles and Mauritius, as well as the United States, Japan and Australia to protect its core security interests in the Indian Ocean.

- Notwithstanding recent maritime outreach to smaller island states, there still remains a space where the Indian navy's aspiration of playing the net-security provider is yet to fully fructify.
- A **strong impetus on Research and Development, and Innovation in the areas of Ocean Energy, Marine Biology and Biotechnology** must be provided to achieve significant market shares in these sectors.
- **Keeping in mind the Act East Policy, and envisaging the future scenario in the Indian Ocean region and South-East Asia, the focus should be on developing the strategically located islands in Andaman and Nicobar.**
- Achieving these objectives will require further investments in capacity, greater transparency and confidence-building measures and enhanced institutional cooperation.

#### Conclusion

- The **Indian Ocean is about people, culture and commerce.** Appreciating its complex texture and intricate nuances is essential to nurture its growth and resurgence. It must be treated as a partner, not as an arena.
- Therefore, **mutual trust and cooperation among the littoral countries** will shape the stability and growth of the region.

## 4. India-South Asia:

**South Asia** is the southern region of Asia, which is defined in both geographical and ethno-cultural terms. The region consists of the countries of **Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka.**

**India's vision of regional economic integration in South Asia** is based on enhanced intra-regional trade, investment flows and regional transport and communication links in South Asia. **South Asian Association for Regional Cooperation (SAARC)** and **India's Neighbourhood First Policy** are the two vehicles in this process.

Although there are common cultural roots, there are a number of **cross-sub regional challenges like political and economic instability ( Sri Lankan Crisis and Afghanistan Crisis) , high inflation, depleting foreign exchange reserves, and domestic unrest** that continue to simmer in the South Asian region, which hosts around a quarter of the world's population.

#### What is India's Neighbourhood First Policy?

- **India's Neighbourhood First policy** embodies India's vision of building a **Vasudhaiva Kutumbakam** (the world as one family).
- **Development Assistance:** The Indian government has **allocated INR 62,920 million in its budget for 2022-23 for development assistance** to countries in **India's neighbourhood and Africa and Latin America.**
- **Vaccine Diplomacy:** As part of India's neighbourhood First policy, India, through its vaccine diplomacy (**Vaccine Maitri**), extended help to many countries of the world **especially neighbouring countries** during the **Covid-19 pandemic.**

#### What are the Challenges regarding Regional Cooperation in South Asia?

- **Low Inter-Regional Trade:** South Asia's intra-regional trade is the **lowest globally, constituting only 5% of the region's total trade.** The current economic integration is just one-third of its potential with an annual estimated gap of 23 billion dollars.
- **External Influence in South Asia:** Smaller neighboring countries are quite predictable in seeking to **balance India's influence through closer relations with external powers,** in the past this was the US at the moment it is **China.**
  - Recent Chinese actions and policies in South Asia as well as its maritime neighbours, including **Indian Ocean island nations,** have made it necessary for India to take its neighbours very seriously.
- **Territorial Issues:** Territorial disputes in South Asia remain a **challenge to the peace, stability, and prosperity of the region.**
  - Of all interstate disputes, those over territory tend to be more likely to lead to **armed conflict.**
- **Inefficient Management of Global Supply Chain:** South Asia's international **trade integration is lower than the global average,** and it is way less integrated into global value chains **compared to East Asia.**
  - The countries have abysmally low exports due to the low productivity of many countries in this region.

### What Role India can Play For the Development of South Asia?

- **Boosting Regional Trade:** India can leverage regional trade, connectivity and investment, and strengthen the **South Asian Free Trade Agreement** as a game-changer for the region.
  - **Galvanizing economic energies**, which would **lower barriers** to intra-regional food trade and encourage regional supply chains.
- **Providing Ecological Blueprint:** South Asian countries can benefit from India's eco-blueprint by focusing on the **protection of biodiversity** and responding to the climate crisis. The linkage between **effective governance and sustainable development** also needs to be acknowledged in South Asian countries.
- **Highlight the Need of Food Security:** Regional food security is another area that India could take a major initiative in with an eye to the future and can be an integral facilitator and component to this economic bloc for food security.
  - **Increasing the capacity of the SAARC Food Bank** that currently stands at less than 500,000 MT.
- **Promoting Sub-Regional Initiatives:** India can increase the **convening capacity** of sub-regional initiatives such as the **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation**.
  - The border regions can be effective partners in shaping India's regional engagement by steering sectoral regional dialogues on **cross-border trade, transport and health**.
  - By extending necessary assistance, **India can strengthen its position in the region and achieve both economic and strategic depth vis-à-vis China**.
- **Voice of South Asia in International Forums:** To **promote the interests of South Asian nations** as a group, **India can be the voice of South Asia** in international forums. A secure regional environment will also help India reach its ambitious development goals.

### What Should be the Way Forward?

- **Strengthening Existing Associations:** Existing associations like **South Asian Association for Regional Cooperation (SAARC)** haven't been able to **significantly advance regional cooperation here**.
  - **Delinking domestic sentiments from the economic rationale, engaging in diplomacy to allay concerns** should be the way forward for South Asian countries which do have qualms about the integration.
- **Towards Self-Reliant South Asia:** Self-reliance of South Asia range from offers of **freer transit trade through the region, the development of supply and logistic chains, digital data interchange, single-window and digitized clearance systems**, risk assessment and minimisation measures, **wider use of trade lines of credit (presently abysmally low)**, denser connectivity, **smoother cross-border inspections**.
- **People-to-people Connect:** Priority should be given to people-to-people connections and deep cultural affinities for sustained cordiality and stability. Further, focus should be given to prompt delivery of multilateral commitments for the overall development of the region

#### a. SAARC (South Asian Association for Regional Cooperation):

The South Asian Association for Regional Cooperation (SAARC) was established with the signing of the **SAARC Charter in Dhaka on 8 December 1985**.

- The idea of regional cooperation in South Asia was first raised in November 1980. After consultations, the foreign secretaries of the seven founding countries—Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka—**met for the first time in Colombo in April 1981**.
  - **Afghanistan became the newest member** of SAARC at the 13th annual summit in 2005.
  - The **Headquarters and Secretariat** of the Association are at **Kathmandu, Nepal**.

### What are its Principles?

- **Cooperation within the framework of the SAARC shall be based on:**
  - Respect for the principles of **sovereign equality, territorial integrity, political independence, non-interference** in the internal affairs of other States and mutual benefit.
  - Such cooperation shall not be a substitute for bilateral and multilateral cooperation but shall complement them.
  - Such cooperation shall not be inconsistent with bilateral and multilateral obligations.

### Who are the Members of SAARC?

SAARC comprises of **eight member States**:

- Afghanistan
- Bangladesh
- Bhutan
- India
- Maldives
- Nepal
- Pakistan
- Sri Lanka
- There are currently **nine Observers** to SAARC, namely:
  - Australia,
  - China,
  - The European Union,
  - Iran,
  - Japan,
  - The Republic of Korea,
  - Mauritius,
  - Myanmar,
  - The United States of America.

### What are the Areas of Cooperation?

- Human Resource Development and Tourism
- Agriculture and Rural Development
- Environment, Natural Disasters and Biotechnology
- Economic, Trade and Finance
- Social Affairs
- Information and Poverty Alleviation
- Energy, Transport, Science and Technology
- Education, Security and Culture and Others

### What are the Objectives of the SAARC?

- To **promote the welfare** of the people of South Asia and to improve their quality of life.
- To **accelerate economic growth, social progress and cultural development** in the region and to provide all individuals the opportunity to live in dignity and to realize their full potentials.
- To **promote and strengthen collective self-reliance** among the countries of South Asia.
- To **contribute to mutual trust**, understanding and appreciation of one another's problems..
- To **promote active collaboration** and mutual assistance in the economic, social, cultural, technical and scientific fields.
- **To strengthen cooperation with other developing countries.**
- To **strengthen cooperation among themselves in international forums** on matters of common interests, and
- To cooperate with international and regional organizations with similar aims and purposes.

### What are the Principal Organs of the Cooperation?

- **Meeting of Heads of State or Government**
  - Meetings are held at the Summit level, usually on an annual basis.
- **Standing Committee of Foreign Secretaries**
  - The Committee provides overall monitoring and coordination, determines priorities, mobilizes resources, and approves projects and financing.
- **Secretariat**

- The SAARC Secretariat was established in **Kathmandu on 16 January 1987**. Its role is to **coordinate and monitor the implementation of SAARC** activities, service the meetings of the association and serve as a channel of communication between SAARC and other international organizations.
- The Secretariat comprises the **secretary-general, seven directors, and the general services staff**.
- The secretary-general is **appointed by the Council of Ministers** on the principle of rotation, for a non-renewable tenure of three years.

#### What are SAARC's Specialised Bodies?

- **SAARC Development Fund (SDF):**
  - Its primary objective is **funding of project-based collaboration** in social sectors such as poverty alleviation, development, etc.
  - **SDF is governed by a Board consisting of representatives from the Ministry of Finance of the Member States**. The Governing Council of SDF (Finance Ministers of MSs) oversees the functioning of the Board.
- **South Asian University**
  - **South Asian University (SAU)** is an international university, located in India. Degrees and Certificates awarded by the SAU are at par with the respective Degrees and Certificates awarded by the National Universities/Institutions.
- **South Asian Regional Standards Organization**
  - **South Asian Regional Standards Organization (SARSO)** has its Secretariat at **Dhaka, Bangladesh**.
  - It was established to **achieve and enhance coordination and cooperation among SAARC member states** in the fields of standardization and conformity assessment and is aimed to develop harmonized Standards for the region to facilitate intra-regional trade and to have access in the global market.
- **SAARC Arbitration Council**
  - It is an **inter-governmental body** having its office in **Pakistan** is mandated to provide a legal framework/forum within the region for fair and efficient settlement of commercial, industrial, trade, banking, investment and such other disputes, as may be referred to it by the member states and their people.

#### What is its Importance?

- SAARC comprises **3% of the world's area, 21% of the world's population** and **3.8% (US\$2.9 trillion) of the global economy**.
- **Creating synergies:** It is the world's most densely populated region and one of the most fertile areas. SAARC countries have common tradition, dress, food and culture and political aspects thereby synergizing their actions.
- **Common solutions:** All the SAARC countries have common problems and issues **like poverty, illiteracy, malnutrition, natural disasters, internal conflicts, industrial and technological backwardness, low GDP and poor socio-economic condition** and uplift their living standards thereby creating common areas of development and progress having common solutions.

#### What are its Achievements?

- **Free Trade Area (FTA):** SAARC is comparatively a new organization in the global arena. The member countries have established a **Free Trade Area (FTA)** which will increase their internal trade and lessen the trade gap of some states considerably.
- **SAPTA: South Asia Preferential Trading Agreement** for promoting trade amongst the member countries came into effect in 1995.
- **SAFTA: A Free Trade Agreement** confined to goods, but excluding all services like information technology. Agreement was signed to reduce customs duties of all traded goods to zero by the year 2016.
- **SAARC Agreement on Trade in Services (SATIS):** SATIS is following the GATS-plus 'positive list' approach for trade in services liberalization.
- **SAARC University:** Establish a SAARC university in India, a food bank and also an energy reserve in Pakistan.

#### What is the Significance of SAARC for India?

- **Neighbourhood first:** Primacy to the country's immediate neighbours.
- **Geostrategic significance:** Can counter China (OBOR initiative) through engaging Nepal, Bhutan, the Maldives and Sri Lanka in development process and economic cooperation.



- **Regional stability:** SAARC can help in creation of mutual trust and peace within the region.
- **Global leadership role:** It offers India a platform to showcase its leadership in the region by taking up extra responsibilities.
- **Game changer for India's Act East Policy:** by linking South Asian economies with South East Asian will bring further economic integration and prosperity to India mainly in the Services Sector.

#### What are the Associated Challenges?

- **Low frequency of meetings:** More engagement is required by the member states and instead of biennial meetings should be held annually.
- **Broad area of cooperation** leads to diversion of energy and resources.
- **Limitation in SAFTA:** The implementation of SAFTA has not been satisfactory a Free Trade Agreement confined to goods, excluding all services like information technology.
- **Indo-Pak Relations:** Escalated tension and conflict between India and Pakistan have severely hampered the prospects of SAARC.

#### What can be the Way Forward?

- In a region increasingly targeted by Chinese investment and loans, **SAARC could be a common platform to demand more sustainable alternatives for development, or to oppose trade tariffs together**, or to demand better terms for South Asian labour around the world.
- **SAARC, as an organisation, reflects the South Asian identity of the countries, historically and contemporarily.** This is a naturally made geographical identity. Equally, there is a cultural, linguistic, religious and culinary affinity that defines South Asia.
- The potential of organisation to maintain peace and stability in the region should be explored by all the member countries.
- SAARC should be allowed to progress naturally and the people of South Asia, who make up a quarter of the world's population should be offered more people-to-people contact.

#### b. Soft Loan Diplomacy:

The volume of India's soft loans to neighboring countries has increased from about \$3 billion to almost \$15 billion in the last eight years.

#### What are Soft Loans?

- A soft loan is a **loan with no interest or a below-market rate of interest.**
- Also known as **"soft financing" or "concessional funding,"** soft loans have lenient terms such as-
  1. Namesake interest rate
  2. Extended grace periods in which only interest or service charges are due
  3. Interest holidays
  4. Long tenure up to 50 years
- Soft loans are often made by multinational development banks such as the **Asian Development Fund affiliates of the World Bank etc.**

#### Why are soft loans popular?

- **Diplomatic tool:** Soft loans are often offered not only as a way to support developing nations but also to form economic and political ties with them.
- **Economic benefit:** Nations exchange credit in return of some important resources.
- **Geopolitics:** Soft loans have been an important diplomatic tool to sustain political influence in the neighborhood and beyond as well as counter the growing Chinese presence, especially in Africa.

#### Pros and cons of Soft Loans

- **Pro: Breaks for Business**– Soft loans offer favorable business opportunities.
- **Con: Shaky Returns**– The length of time it may take to repay a soft loan could mean the lender is tied to the borrower for an extended number of years.

### Did India take any soft loan?

- For instance, in 2015, Japan offered a soft loan to India to cover 80% of the cost for a \$15 billion fund a bullet train project at a less than 1% interest rate.
- This was done with the caveat that India would purchase 30% of the equipment for the project from Japanese companies.
- By the time the countries signed a formal agreement, Japan's commitment increased to 85% of the cost, in the form of soft loans, for a then-estimated \$19 billion project cost.

### Using soft loans as a diplomatic tool

- The amount of development assistance India has offered to other nations in 2019-20 was more than twice what it had extended in 2011-12.
- However, such loans have usually gone to countries in Asia, Africa and Latin America that are lower down the economic strength ladder.
- India has extended a total of \$27.8 billion in lines of credit since 2002-03.

### Conclusion

- Extending development assistance is nothing new for India and about half of the foreign ministry's budget is made up of grants and loans to foreign governments, especially India's neighbours.
- For a country that for long had to rely on international loans to meet key development goals, India understands the diplomatic value of providing a helping hand.

## 5. India – Russia relations:

India and Russia are experiencing a transformation due to the US-China confrontation in the Indo-Pacific, as well as other factors. PM Modi has given priority to their relationship with Russia, as it has become more relevant in a rapidly changing world.

**At the Sochi Summit, in 2018, the relationship was elevated to a 'Special and Privileged Partnership.'** India and Russia's relationship is based on 'deep mutual trust', the common foreign policy goal of the multipolar world order and long-term partnership in the military, security and nuclear energy fields.

### a. HISTORICAL OVERVIEW:

- **Treaty of Peace and Friendship in 1971:** was the realization of the two countries' common aspirations, as well as a roadmap for enhancing regional and global peace and security.
- **After the disintegration of the USSR Treaty of Friendship and Cooperation in January 1993:** After the dissolution of the Soviet Union, India and Russia entered into a new Treaty of Friendship and Cooperation in January 1993 and established a Strategic Partnership in 2000.
- **This treaty completed 30 years in 2023.**

### b. AREAS OF COOPERATION:

- **Defence:**
  - **Arms import:** Russia accounts for 58% of total arms imports by India followed by Israel(15%) and the USA(12%).
  - **Share strategic technology:** Russia is one of the few nations willing to share strategic technology with India. The S-400 defence system deal also highlights India's desire to maintain strategic autonomy.
  - **Partner in Brahmos:** Russia has leased an Akula class submarine to India and is also an important partner in Brahmo's missile system development. Tactical Transport Aircraft and Sukhoi Su30 are also developed.
  - **S-400 air defence system:** During the recently concluded 21st India-Russia summit, both countries inked a 10-year defence cooperation agreement in the context of current S-400 air defence system deliveries.
  - **Military exercise INDRA:** Both countries also conduct annual tri-service exercise INDRA.
- **Trade:**
  - **Bilateral trade:** Amounts to \$ 8.1 billion.

- **Strategic Economic Dialogue (2018):** It has a focus on six core areas of cooperation, namely, Transport Infrastructure; Agriculture; Small and Medium Business Support; Digital Transformation and Frontier Technologies; Trade, Banking, Finance, and Industry; and Tourism & Connectivity.
- **India's participation in the Eastern Economic Forum:** India also participated in the Eastern Economic Forum and extended a \$ 1 billion line of credit for the development of the far-right region of Russia.
- **Maritime route:** Recently, a maritime route from Chennai to Vladivostok has also been proposed. It would reduce the time to reach the Russian far east by 16 days.
- **Energy:**
  - **Natural gas:** Russia has one of the largest reserves of Natural Gas in the world. India's ONGC Videsh has acquired 20% stakes in Sakhalin oil and gas plant.
  - **In St. Petersburg Declaration:** Both countries agreed to joint exploration of hydrocarbons in the Arctic region. **Russia's 'Pivot to Asia' strategy and India's Draft Arctic Policy both highlight convergence between the 2 countries.** The Northern Sea Route will further facilitate the development of resources in the region.
  - **Nuclear Energy Production:** Kudankulam Nuclear Power Plant (KKNPP) is being built in India with Russian cooperation.
- **Geopolitical convergence:**
  - **The goal of Multipolar World Order:** Both India-Russia have shared the goal of a Multipolar World Order. Both countries are cooperating through BIMSTEC, and SCO to realize this objective.
  - **Both see China as a strategic adversary:** Russia continues to see China as a potential strategic adversary in the future. Hence it is deepening cooperation with countries like India, Vietnam, Indonesia etc. Russia also pushed for India's entry into SCO to contain Chinese influence. Similarly, India has expanded the scope of the Act East Policy to include Russia.
  - **Support for UNSC seat to India:** Russia has also supported India's claim for a permanent seat in UNSC and stood by India on the J & K issue thereby blocking Pakistan's attempt to internationalize the issue.
- **Cultural Relations:**
  - **Russian students learning Hindi:** About 20 Russian Institutions, including leading universities and schools, regularly teach Hindi to about 1500 Russian students
  - **Programmes like 'Namaste Russia':** Programs like 'Namaste Russia' and sharing educational brilliance of both countries through institutes like Jawaharlal Nehru Cultural Centre.
  - **"Festival of India in Russia":** Was held in Russia between September 2018 to March 2019 in 22 cities with 34 performances by 10 groups, showcasing the best of Indian music, dance, food and spiritual traditions.
  - **Exhibition dedicated to Mahatma Gandhi:** On October 2, the State Duma of the Russian Federation inaugurated an exhibition commemorating the 150th anniversary of Mahatma Gandhi and his connection with Russian writer Leo Tolstoy.
- **Space technology:**
  - **Aryabhata and Bhaskar:** The former Soviet Union launched India's first two satellites, Aryabhata and Bhaskar.
  - **Russia provided India with cryogenic technology:** Russia has also provided India with Cryogenic technology to build heavy rockets.
  - **Cooperate in outer space:** Both parties collaborate on peaceful uses of space, such as satellite launches, the GLONASS navigation system, remote sensing, and other societal applications of space.
  - **Cooperation in the Gaganyaan mission:** The four cosmonauts chosen for India's first manned space mission, Gaganyaan, have completed their training in Russia.

### c. ISSUES IN RELATIONSHIP:

- **Limited areas of cooperation:** Post-cold War, India-Russia relations have become more transactional. It is centered on military cooperation and spares whereas there is little progress in other aspects of the relationship.
- **USA-Russia dilemma:** The deteriorating Russia-US relations have introduced a new element of discomfort as India seeks to maintain its longstanding connection with Russia without jeopardizing its expanding ties with the United States.
- **Defence:** Though Russia still commands 56% of total arms imports by India, this figure is a step down from 2010-14 when Russia's share was 70%.
- **Trade:**

- The private sector is not involved.
- Poor connectivity- stalling of the International North-South Transport corridor.
- Weak banking links.
- Cumbersome regulatory procedures on Both sides.
- **Indo-Pacific:** In the emerging construct of the Indo-Pacific, India is growing close to the USA. It has left Russia concerned. Russian Foreign Minister Sergei Lavrov called Indo-Pacific “an artificially imposed construct” being promoted by the US, Australia and Japan.
- **Terrorism:** India and Russia have called for the Comprehensive Convention on International Terrorism to be finalized as soon as possible

#### d. RUSSIA-CHINA-PAKISTAN AXIS:

- **The sanctions on Russia post-Ukraine crisis:** The West has pushed Russia closer to China. Both countries are working against the US and the West in Asia, the Middle East and in the Indo-Pacific. Even the UNSC is divided into P-3 and P-2.
- **Russia-China trade:** Apart from geopolitical convergence both countries also share economic complementarities. Russia-China trade stands at \$110 billion in 2019.
- **Defence and technology:** Russia also shares cutting-edge technologies in defence production with China. China has also received an S-400 missile defence system from Russia.
- **Russia has also removed the Arms embargo on Pakistan:** Both countries have also undertaken cooperative military exercises since 2014. Pakistan has already granted Russia permission to utilize its Gwadar port as part of the CPEC. Pakistan and Russia both intend to take their bilateral ties to a strategic level.
- **Importance of Pakistan for Russia:** is also important for Russia in the context of Afghanistan and wider stability in Central Asia and the Caucasus.

#### e. US-RUSSIA TENSIONS:

- **The key objectives of Russia’s foreign policy:** Honorable accommodation with the West and a multipolar world order with Russia as a swing state in the global balance of power. It has no desire to play second fiddle to China. However, sanctions from the US and West have crippled the Russian economy and pushed it towards China.

#### Reasons for US-Russia tensions:

- Moscow’s interference in the 2016 U.S. presidential election
- The annexation of Crimea and the start of a conflict in south-eastern Ukraine.
- Russia's backing for Syrian President Bashar al-Assad in his deadly civil war.
- Supporting Venezuelan President Nicolas Maduro.
- 'Normative Divergence' in Perceptions of Bilateral Issues.
- Russia offered political refuge to Edward Snowden, as well as disagreements between Russia and the West on human rights issues over the detention of activist Alexei Navalny.

#### Response from the US and the West:

- **Threat to security:** Russia and China are named as the top two threats to US national security in the US National Security Strategy.
- **Sanctions:** The US has imposed sanctions on Russia under CAATSA Act.
- Even in the recent first summit, Both Biden and Putin expressed a desire for a better relationship but announced no dramatic actions to arrest the downward spiral in the relationship

#### f. RUSSIA- UKRAINE WAR:

- Started on 24th February, after Russia started to invade Ukraine. Russian troops captured many cities of Ukraine including **Mariupol, Kherson, Kharkiv, Sumy etc.**
- **Possible reasons for Russia's invasion of Ukraine:** Ukraine- wants strong economic, political and security relations with Western countries due to continuing threat from Russia due to Russia’s domination such as during the Crimea annexation. **Thus Ukraine needs to join the Association Agreement (AA) with the European Union (EU) and also NATO.** While Russia considers NATO’S expansion as a major threat in its neighbourhood.

### Cause of Conflict

- **Shared history:**
  - Ukraine and Russia have had cultural, linguistic, and familial ties for hundreds of years.
  - **Ukraine was the second-most powerful Soviet republic after Russia as part of the Soviet Union**, and it was crucial strategically, economically, and culturally.
- **Emotional Exploitation of People:**
  - For many Russians and ethnic Russians in Ukraine, the countries' shared heritage is an emotional issue that has been exploited for electoral and military purposes.
- **Balance of Power:**
  - Since Ukraine's independence from the Soviet Union, both **Russia and the West have sought greater influence in the country in order to maintain the regional balance of power in their favour.**
- **Acts as a buffer:**
  - For the United States and the European Union, **Ukraine is a crucial buffer between Russia and the West.**
  - As tensions with Russia rise, the US and the EU are becoming more determined to keep Ukraine out of Russian hands.
- **Ukraine wants to join NATO:** Ukraine wants to join **the Association Agreement (AA) with the European Union (EU) and also NATO.** While Russia considers NATO'S expansion as a major threat in its neighbourhood.

### India's stand:

- **Followed strategic autonomy:** Followed strategic autonomy without being aligned with Western countries even under pressure.
- **India abstained from the resolution targeting Russia:** Refused to support a resolution targeting Russia and instead provided humanitarian aid to Ukraine. India was also among the first to announce the reopening of its embassy in Kyiv.

### Analysis Of India's Position:

- **India's abstention reflected its national interest:** Given its long strategic relationship with Russia.
- **The balance between Principles and Pragmatic considerations:** India struck a balance between Principles and Pragmatic considerations of its Foreign policy goals.
- **India as a mediator:** Further, by abstaining India has kept the space for dialogue and diplomacy open without taking sides. It can pave the way for India playing a key role in getting all parties to the negotiating table given its traditional relationship with Russia and with natural allies in the West, particularly the US and France.
- **Contrary to aspiration of leading power:** Its position has been called by experts as being contrary to its aspiration of being a "Leading power". It has been said that to be a leading Power India will have to take a clear position on a conflict that threatens global security.

Despite the abstention, India highlighted its principled belief in UN Charter and International Law reflected in its reference to respect for the sovereignty and territorial integrity of states.

### g. CONCERNS OF THE WORLD:

- **Mistrust in global governance and institutions:** highlighted the failure of the UN to control the war and institutions such as WB, IMF, and WTO could not deter Russia.
- **Immense human suffering:** Russia's war in Ukraine has created "immense human suffering", but it is also damaging global trade, the World Trade Organization (WTO) warned.
- **Energy crisis all over the world:** Energy crisis Europe saw natural gas prices climb 45% between January and March to \$41 per million British thermal units (Btu) – a measure of heat content.
- **Food and fertiliser insecurity:**
  - **Ukraine–Russia are a major exporter of food grains:** Ukraine–Russia region is responsible for roughly 30% of global exports of wheat and 65% of sunflower, in a context where those markets are increasingly tight and interconnected—so a slight disruption in supply creates some impact on price,"
- Possible nuclear crisis.
- Weaponisation at the global level.

### Implication on India:

- **Economic:** Moody's said on Monday that further escalation of the Russia-Ukraine crisis could expose about 42% of rated Indian companies to significant risks due to high commodity prices and supply chain disruptions. They are primarily in the oil and gas and automotive industries.
- **Security:**
  - **Cyber security:** Cyber aggression by Russia spilling outside Ukraine is the latest worry of cybersecurity czars in countries including India.
  - **Food security:** Food security such as wheat shortage and energy security challenges can arise due to disruptions in the supply chain.
- **Geopolitical:**
  - **International pressure on India:** The USA and Western countries can increase pressure on India. They can use the sanction policy against Russia and its partners to deter any cooperation.
  - **China can take advantage of the void:** China can take advantage of the void created by Russia to deepen its presence in Central Asia. Also, China will increase arms sales to the Russian arms consumer country while sanctions are applied on Russia.
  - **Challenges in balancing the West Vs Russia:** To take a balancing approach.

### h. WAY FORWARD:

- **New Areas Of Cooperation:** India and Russia need to transform a 20th-century partnership and make it fit for the 21st century. Apart from Energy and defence, both countries need to find new areas of cooperation such as trade, connectivity etc. **The creation of an FTA between India and the Eurasian Economic Union can also facilitate trade with India-Russia.**
- **Balancing China:** Russia is also apprehensive of growing Chinese influence in its periphery of Central Asia, India being a rising global power can help contain Chinese influence. For this, both countries need to work together through the SCO platform.
- **Arctic Politics:** India can work with countries like Japan and South Korea in the Far East region of Russia and contain Chinese influence in Arctic politics which Russia also desires.
- **Connectivity:** India can also explore the possibility of Russian involvement in the Chabahar project to ensure access to Afghanistan and central Asia.
- **A shared interest in the Multipolar world order:** Both countries have a shared interest in the Multipolar world order. Both can work on global platforms to avoid the new cold war between the US and China with the help of like-minded countries.
- **Mediator to reduce US-Russia tensions:** India being a great power will certainly balance both Russia and US for promoting a peaceful global order. India can leverage its warm relations with both the US and Russia to help ensure "Cold Peace" between the 2 countries. **India can also help in establishing detente on critical issues like Iran's nuclear crisis, Indo-Pacific geopolitics, the Ukrainian fiasco or the Afghan impasse.**
- **2+2 Dialogue:** India and Russia have decided to establish dialogue along the lines of the 2+2 dialogue with the United States in order to add momentum to the two countries' strategic partnership

Russia maintains its position as one of the world's great powers, with abundant natural resources and a history of scientific and technological dominance. To moderate Russia's tilt toward China, India should prioritize steps to improve the economic partnership and develop a clear future plan of action. Russia would benefit from keeping Indian concerns in mind as well, in order to avoid jeopardizing a long-standing partnership with an emerging power



## 6. India – Japan Relations:

- "When it comes to India's relations with the world, Japan holds an important position. These relations are not from today but date back to centuries. It has harmony and respect for each other's culture in its foundation."- **PM Modi**
- It would not be a surprise if, in another 10 years, Japan-India relations overtake Japan-U.S. and Japan-China relations. --- **Shinzo Abe, book Toward a Beautiful Country**
- Relations between Japan and India have the biggest potential in the world... A strong Japan benefits India and a strong India benefits Japan." "I believe until and unless India and Japan have strong relations Asia can never develop. - **PM Modi**

India-Japan relations have traditionally been strong due to cultural exchanges and the same ideals of democracy. India is the largest recipient of Japanese aid and is a big market for Japanese firms. **Japan was one of the first firms to invest in India**

### a. BACKGROUND:

- **Diplomatic ties established in 1952:** The diplomatic ties between India and Japan were established in 1952 with the signing of the Peace Treaty post World War II.
- **Comprehensive Economic Partnership:** In 2011, a Comprehensive Economic Partnership was concluded.
- **Country Assistance Policy of Japan:** In 2016, Japan announced its Country Assistance Policy, Visa on Arrival, Logistics Agreement, and Collaboration in Initiatives.
- **Supply Chain Resilience Initiative (SCRI) to counter China's dominance:** In 2021, India, Japan, and Australia launched the Supply Chain Resilience Initiative (SCRI) to counter China's dominance of the supply chain in the Indo-Pacific region

### b. AREAS OF COOPERATION:

- **Covid-19 Pandemic:** India and Japan have agreed to work together to address post-COVID-19 related challenges. Japan is providing \$14.8 million in emergency aid to India, and the Quadrilateral initiative has decided to build a joint vaccine supply chain to address pandemic situations in the Indo-Pacific region.

### Indo-Pacific:

- **Geopolitical interests in the Indo-Pacific region:** India and Japan act as an anchor of the Indo-Pacific region, building on past agreements to address China's concerns.
- **Countering Rising China:** Analysts feel the looming presence of China across the strategic landscapes of India and Japan has guided the strategy to enhance collaboration in an accelerated manner.
- **Maintaining Rule base order:** The two countries' vision for the Indo-Pacific is based on a rules-based order that respects sovereignty and territorial integrity.
  - **QUAD Grouping:** To provide strategic security architecture by USA, INDIA, JAPAN, and AUSTRALIA in the Indo pacific.
  - **Supply chain resilience initiative:** It will ensure free and equitable economic order in the Indo-Pacific region.
- **Japan's Free and Open Indo-Pacific:** It is a concept given by Japanese PM's during their India Visit.
  - Which aim prepares Japan to deal with the fast-changing global and regional order and threats from China and North Korea.
  - It includes creating a "free and open" Asia-Pacific region that connects parts of eastern Africa, south Asia and southeast Asia with the western Pacific Ocean region and Japan.

### Connectivity:

- **The Asia-Africa Growth Corridor (AAGC):** The AAGC is a joint collaboration between India and Japan to develop infrastructure in the Asia-Africa region, with priority given to health, agriculture, disaster management and skill enhancement. **As per the vision document, the four key pillars of AAGC include:**
  - Enhancing Capacity and Skills
  - Quality Infrastructure and Institutional Connectivity
  - Development and Cooperation projects
  - People-to-people partnership.

- **Blue Dot Network:** Senators from the United States have encouraged India to join the Blue Dot Network (BDN) in order to assist India in making an effect on economic development through international projects. **The BDN is a multi-stakeholder program founded by the United States, Japan, and Australia** to examine and certify infrastructure development projects worldwide.
- **Developing infrastructure:** All Across Asia and Africa in order to provide a counterweight to China both countries are investing in infrastructure.
  - They must now find a more efficient approach to translate this confluence of interests into tangible programs that make an impact on the ground.
- **Bilateral relationship for regional stability:** Bilateral relationship between two countries have major value for regional stability.
  - It is difficult to provide stability in Asia until and unless India and Japan establish good relations.
- **Cooperation in third countries:** Srilanka, Bangladesh, and Myanmar are getting loans and assistance for the pipelines, dams, rail lines, roads, hospitals institutes etc.

#### **Partnership at Multilateral forums:**

- **International Cooperation Organizations:** India and Japan are working together to expand the UN security council through G4.
- **Quad Grouping:**
  - **India-Japan at QUAD grouping:** India, Australia, Japan, and the US, and has established the basis for regular defense cooperation, intelligence-sharing, and logistics support.
  - **India-Japan cooperation in the QUAD on following subjects:**
    - With no immediate conflict issues in the horizon, the partnership's outlook remains positive.
    - to maintain rule-based order in the Indo-Pacific.
    - Countering to China's economic and military rise.
    - For a free and open Indo-Pacific
- **G-20 Grouping:**
  - **Collaboration between India's G20 Presidency and Japan's G7 Presidency:** The collaboration of India's G20 Presidency and Japan's G7 Presidency provides an opportunity for both countries to shape the world's destiny toward "**Vasudhaiva Kutumbakam,**" or "**One Earth, One Family, One Future.**"
  - **Bilateral cooperation on circular economy: G7/G20 collaboration, LiFE, Marine & Plastic Waste, COP-27 and CBD 15.** India acknowledged Japan's efforts in bringing new technologies to India and stressed that India and Japan may explore strengthening bilateral cooperation on circular economy, resource efficiency, low carbon technology and green hydrogen.
  - **Cooperation at multilateral frameworks:** India seeks to lead by example and invites the global community to be a part of it. **Furoshiki is an eco-friendly alternative to traditional plastic wrapping paper.** Both countries agreed to further promote cooperation and work together in multilateral frameworks.

#### **Environment:**

- **Climate Change:** Japan is collaborating with partner countries by utilizing Japan's advanced technology and knowhow.

#### **Economic:**

- **Bilateral trade:** Stands at \$ 11.87 billion. In 2020 India was 18 th largest trading partner for Japan and for India, Japan was the 12th largest trading partner.
- **Investment Support:** Japan is 5th largest investor in the Indian economy with 6.6% of India's total FDI inflows. **India's 14th largest import partner and India's 19th largest export partner.** Foreign direct investment (FDI) witnessed a ninefold increase from 2007. **Japan provides Official Development Assistance (ODA) loans to India.**
  - **Key imports:** India imports Nuclear reactors, electrical machinery, iron and steel, and organic chemicals.
  - **Key Export:** Exports to Japan include mineral fuels and mineral oils, organic chemicals and natural or cultured pearls.
- **Bilateral agreement:** The **Comprehensive Economic Partnership Agreement (CEPA) came into effect in February 2011.** Apart from accelerating business activities, the deal aimed to eliminate tariffs on 90 per cent of Japanese exports to India, such as auto parts and electric appliances.
- **Trade partnership:** India's proportion of Japan's total trade stood at 1.1 per cent in 2018 while Japan's share of India's trade was 2.1 per cent.

- **North-East Development:** Japan invested to improve National Highway (NH) 40 in the state of Meghalaya.
- **Joint Foreign Projects:** In May 2018, both jointly plan to set up the East Container Terminal at Colombo port for Sri Lanka's first LNG terminal.
- **Asia Africa Growth Corridor:** In 2017, Asia Africa Growth Corridor (AAGC)—an effort started to soft-balance Belt and Road Initiative (BRI) project.

#### Defence:

- **Security Cooperation:** India and Japan signed a joint declaration on security cooperation signed in 2008. It proposed the establishment of meetings between defence ministers, military-to-military talks, and navy-to-navy.
- **Technical cooperation:** Both sides worked to build military-technical cooperation (MTC) that increases mutual dependence.
- **Modernising Indian Arm force:** Japan hopes to assist India in modernising military capabilities via its US-2 amphibian aircraft and Soryu submarines.
- **Joint military drills:** Exercise Dharma Guardian brought Indian Army and the Japanese Ground Self-Defence Forces (JGSDF) together in 2018.
  - Air forces of both countries engage in **Exercise Shinyuu Maitri while coasting guards through Exercise Sahyog-Kaijin.**
  - Japan also participated in Malabar naval exercises.

#### Space Cooperation:

- In March 2019, India and Japan conducted their first Annual Bilateral Space Dialogue, for enhancing bilateral cooperation in outer space.

#### Bilateral Partnership:

- **In Post-cold wartime:** In the Cold War time, both countries kept their distance from each other. Reasons were India's distancing from the Japan–US alliance, Policy of non-alignment.
- **After the collapse of the Soviet Union:** Soviet Union's collapse and a severe balance-of-payments crisis, Indian leadership favoured closer ties with Japan.
- **New Policy Initiative:** In 1993 India announced the 'Look East Policy'. India's 'special strategic and global partnership' with Japan is a grand strategy in the post-Cold War era.
  - The '**Act East Policy, unveiled in November 2014, is an improvement on the previous "Look East Policy."**
  - It is a diplomatic initiative to enhance economic, geopolitical, and cultural contacts with the broad Asia-Pacific area at many levels, which adds fuel to the development of improved relationships with Japan.
- **Elevation of ties:** In 2014 both elevated ties to a 'special strategic and global partnership,'
- **2+2 Arrangement:** In 2016, India started a '2 + 2' arrangement for foreign and defence ministries. This was elevated to the ministerial level three years later, signalling its special status.
- **Covid19 pandemic:** The partnership will help to tackle the COVID-19 pandemic. For a pandemic situation the Supply Chain Resilience Initiative between India, Japan, Australia has been started

#### c. SUPPLY CHAIN RESILIENCE INITIATIVE (SCRI):

The Trade Ministers of **India, Japan and Australia** have formally launched the **Supply Chain Resilience Initiative (SCRI)**.

- The **SCRI aims to create a virtuous cycle of enhancing supply chain resilience** with a view to eventually attaining strong, sustainable, balanced and **inclusive growth in the Indo-Pacific region**.
- **The trio (India, Japan and Australia) along with the US makes Quad grouping.**

#### Key Points

- **Supply Chain Resilience (Concept):**
  - **Meaning:** In the context of international trade, supply chain resilience is an approach that **helps a country to ensure that it has diversified its supply risk across a clutch of supplying nations** instead of being dependent on just one or a few.
  - **Importance:** In **unanticipated events** -whether natural, such as volcanic eruptions, **tsunamis, earthquakes** or even a pandemic; or manmade, such as an armed conflict in a region — that **disrupt supplies from a particular country** or even intentional halts to trade, **could adversely impact economic activity in the destination country.**
- **Supply Chain Resilience Initiative:**

- **Background:**
  - The **Covid-19 pandemic was having an unprecedented impact in terms of lives lost, livelihoods and economies affected**, and that the pandemic had **revealed supply chain vulnerabilities globally** and in the region.
- **About:**
  - **Objectives:**
    - To **attract foreign direct investment** to turn the Indo-Pacific into an “economic powerhouse”.
    - To build a mutually **complementary relationship among partner countries**.
    - To work out a plan to **build on the existential supply chain network**. Japan and India, for example, have an India-Japan competitiveness partnership dealing with locating the Japanese companies in India.
  - **Features:**
    - The SCRI, first **proposed by Japan, aims to reduce dependence on China** amid a likelihood of recharging of supply chains in the Indo-Pacific region amid the Covid-19 pandemic.
    - **Initially, SCRI will focus on sharing best practices on supply chain resilience and holding investment promotion events** and buyer-seller matching events to provide opportunities for stakeholders to explore the possibility of diversification of their supply chains.
    - Joint measures may include **supporting the enhanced utilisation of digital technology and trade and investment diversification**.
    - **Expansion of the SCRI may be considered based on consensus**, if needed, in due course. The **ministers have decided to convene at least once a year** to provide guidance to the implementation and development of the SCRI.
    - This **assumes significance in the wake of Japan's keenness to onboard the ASEAN in the initiative**, something that **India has opposed**.
    - **India wants to safeguard its interests from China's indirect influence through the bloc (ASEAN)** as it builds on its self-reliance through reduced dependence on imports.
  - **Significance to India:**
    - Following the **border tensions with China**, partners such as Japan have sensed that India may be ready for dialogue on alternative supply chains.
    - **China still remains a large source of critical imports for India**, from mobile phone components to pharmaceutical ingredients. An internal push to suddenly cut links with China would be impractical.
    - Over time, **if India enhances self-reliance or works with exporting nations other than China, it could build resilience into the economy's supply networks**.

#### Way Forward

- It will help boost India's manufacturing competitiveness and increase its share in world trade. In this pursuit, there is **a need to create an infrastructure** that raises the competitiveness of India's exports.
- While India appears an attractive option for potential investors both as a market and as a manufacturing base, **it needs to accelerate progress in ease of doing business and in skill building**.

#### d. ISSUES IN THE RELATIONSHIP:

- **Indian foreign policy strategy:** It is driven by an overarching preference for strategic autonomy and by three broad priorities: **security, economic development, and status**. That put significant restraints on further improvement in relation to Japan because India wants to maintain strategic autonomy.

#### Economic:

- **Economic Negotiation:** Japan intends to help India modernize its military capabilities by **selling US-2 amphibious planes and Soryu submarines**. Has also promised to transfer technology and proposed establishing a plant in India, but the two parties are at odds on pricing
- **Trade Dispute:** The recent World Trade Organization (WTO) decision against India in a dispute over iron and steel imports from Japan has policymakers concerned about safeguard charges imposed by India on iron and steel imports from Japan.

- **The Regional Comprehensive Economic Partnership (RCEP):** After years of negotiations, India recently pulled out of the proposed RCEP trade deal over unresolved core concerns. While the Japanese establishment thinks India should join it to counter China.
- **Overdependence with China:** With Beijing exploiting Japan's vulnerability, or reliance on China in trade, and resorting to economic coercion, Japan needs to enhance its economic security as part of its national security strategy in order to participate in Indo-Japan partnership more fully.

#### Osaka declaration:

- **Indian refusal:** Recently, India refused to sign the "Osaka Track," a framework announced at the G20 conference in Japan to **facilitate cross-border data flow with increased protections.**
  - The initiative seeks to standardise rules for the global movement of data with enhanced protection for personal information, intellectual property and cybersecurity.
  - India's primary concern on terrorism was not given due prominence at the G-20 Osaka track and India refuse to join it.

#### Indo-Pacific:

- **Different priority:** The Indian establishment has more focus on the Indian Ocean region while the Japanese establishment has more focus on the Pacific Ocean region, which creates the problem of differential priority which leads to a non-coherent strategy overall.

#### Different views for the third party:

- **Russia is taken differently by both countries.** During Russia –Ukraine war differences seemed to emerge.
- With China, Japan wants to separate economics from politics while India takes all round action against China in case of any aggression

#### e. SIGNIFICANCE OF RELATIONSHIP FOR INDIA:

- **Japan as security provider:** The US has declassified its Strategic Framework for the Indo-Pacific, in which it refers to India as the region's net source of security, while Japan can be the Indo-Pacific region's stability provider to balance China.
- **Containing China:** In an effort to counter China's growing influence in these parts of the world, India and Japan have worked together to build infrastructure in Iran and Africa, provide critical aid to Myanmar and Sri Lanka, and hammer out a common Association of Southeast Asian Nations outreach policy.
- **Act East Policy:** The **'Act East Policy' in India was announced in November 2014** and it is the upgradation of the previous policy of the Look East Policy which was announced in 1991.
  - **Under the policy of Act East, India-Japan Act East Forum, aims to provide a platform for India-Japan collaboration under the rubric of India's Act East Policy** and Japan's Free and Open Indo-Pacific Strategy.
- **Investment and Technology:** Japan provides \$4 billion annually in ODA to support infrastructure and the green economy, including the ongoing high-speed railway project. India is interested in leveraging its strategic partnership with Japan.
  - This helps secure FDI, and modern technology, and expand access into markets that it may have lost by keeping away from RCEP and TPP.
- **Shared View For Multipolar World:** As a middle power, both consider the unipolar or emerging bipolar world of USA-China as a threat to world peace as witnessed during the cold war.

#### f. COLLABORATION AT UNSC:

- **Objectives:** India and Japan In a bid to become permanent members of the UN Security Council collaborating on multiple initiatives.
- **G-4 Countries:** The UN Security Council reform is an important issue for Japan and India. Together with other G-4 members, i.e. **India, Germany and Brazil, has been working for the realization of UNSC reform.**
- **Expansion of the United Nations Security Council:** Both countries have resolved to work towards early reform of the United Nations, including both permanent and non-permanent categories.
- **UNSC Current Membership:** China, France, Russia, Britain and the US are the five veto-wielding permanent members of the UNSC. There are also 10 non-permanent members, with five elected each year to serve two-year terms.

- **An open, rule-based Order:** Together they will seek reforms in the United Nations Security Council, an open, rule-based and balanced regional architecture with deeper regional economic integration and connectivity,
- **Arc of freedom and prosperity:** Through talks and Official Development Assistance (ODA), Japan has been collaborating with nations in **South East Asia, Central Asia, and Central and Eastern Europe** that are developing democracy and market economies

**g. EIGHT-FOLD INITIATIVE FOR STRENGTHENING JAPAN-INDIA GLOBAL PARTNERSHIP:**

In order to realize the full potential of their global partnership for peace and prosperity, the Japan and India decided on the following **Eight-fold Initiative in April 2005:**

- **Enhanced dialogue and exchanges:** The two leaders recognize the importance of regular dialogue and exchanges in mutual understanding.
  - It is decided to **hold annual Prime Minister level meetings**, alternately in the two capitals.
  - Also shown intention to promote regular ministerial-level exchanges, including those between their **Foreign, Defence, Trade, Finance and ICT Ministers**
- **Comprehensive economic engagement:** Based on the complementarities of the two economies, the two sides will take a number of steps to widen and deepen economic and trade cooperation between Japan and India.
- **Enhanced security dialogue and cooperation:** Both countries underline their desire to expand bilateral conversation and exchanges in the security and defense domains, especially through full implementation of the Comprehensive Security conversation.
- **Science and Technology Initiative:** Japan and India, as two countries seeking to transform into knowledge-based societies. the areas of their respective strength, and will work together to exploit the enormous potential for cooperation in this field
- **Cultural and academic initiatives:** Strengthening of people-to-people contacts, particularly among the youth, provides a stronger basis for the relationship between the two countries.
- **Cooperation in ushering in a new Asian era:** The two countries realize and appreciate the importance of the respective roles and responsibilities of their countries in promoting peace, security and prosperity in Asia.
- **Cooperation in UN and other international organizations:** Cooperation has vital importance to the role of the United Nations in world peace, stability, and prosperity, and reaffirms their intention to work together for the early realization of U.N. reforms
- **Responding to international challenges:** Recognizing the threat posed by terrorism and the importance of the international community working unitedly to counter this menace, the Governments of Japan and India will further consolidate their existing cooperation

**h. INDIA-JAPAN INK MUTUAL MILITARY LOGISTICS AGREEMENT:**

Recently, India and Japan signed a **logistics agreement** that will allow armed forces of both sides to coordinate closely in services and supplies. The agreement is known as **Acquisition and Cross-Servicing Agreement (ACSA)**.

- India has similar agreements with the **USA, Australia, France, Oman and Singapore.**

**Key Points**

- **The Agreement:**





- It is **aimed** at greater maritime cooperation and can **upgrade India-Japan naval exercises** as both countries are expected to share maritime facilities for mutual benefit.
- It **establishes the enabling framework** for closer cooperation between the armed forces of both countries in **reciprocal provision of supplies and services** while engaged in bilateral training activities, United Nations Peacekeeping Operations, Humanitarian International Relief and other mutually agreed activities.
  - The supplies and services include food, water, transportation, airlift, petroleum, clothing, communications and medical services etc.
- It will also **enhance the interoperability, assist in maintaining regional security** and further **increase the bilateral defence engagements** between the two countries.
- It will **remain in force for 10 years** and will be automatically extended for periods of 10 years unless one of the parties decides to end it.
- The agreement is being interpreted as a coming together of Japan and India when India is having a **border standoff with China at Line of Actual Control (LAC)** in eastern Ladakh.
  - **India-Japan Defence Cooperation:**
- **In 2019, India and Japan held the first-ever ministerial-level 2+2 dialogue.** This dialogue involves the Defence and Foreign Ministers on both sides and is seen as an endorsement of the special strategic partnership between **India and Japan**.
  - Both nations share a common vision of a free, open, inclusive and rules-based **Indo-Pacific region** in which the principles of **sovereignty and territorial integrity are ensured**.
  - India and Japan defence forces organize a series of bilateral exercises namely, **JIMEX (naval exercise), SHINYUU Maitri (air force exercise), and Dharma Guardian (military exercise)**. Both countries also participate in **Malabar exercise** with the USA.
- Both the countries are also part of **Quadrilateral Security Dialogue (QUAD)**.

#### Way Forward

- India needs sophisticated weapons and technology from Japan, so more collaboration and cooperation can prove beneficial to both nations.
- **There is huge potential as far as Make in India and defence deals are concerned.** Joint ventures could be created by merging Japanese technology with Indian raw materials and labour.
- Closer cooperation is the best measure to combat China's growing role in Asia and Indo-Pacific

#### Certainly, here's a further brief summary:

- **India and Japan held their 13th Foreign Ministers' Strategic Dialogue** and agreed to collaborate on cybersecurity, focusing on 5G, IoT, and AI.
- The dialogue emphasized the **importance of partnership in overcoming challenges posed by Covid-19**.
- Japan proposed **the Supply Chain Resilience Initiative (SCRI) to address supply chain disruptions**, with India and Australia as key partners.
- Both nations share **Indo-Pacific visions based on the rule of law, sovereignty, and countering Chinese aggression in the region**.
- India pledged support for Japan regarding the abduction issue of Japanese citizens by North Korea.
- Other developments **include logistics agreements, 2+2 dialogues, QUAD participation, and trade agreements**.
- Collaboration between India and Japan is crucial for technology, trade, and addressing China's influence in the region.

#### j. JAPAN PROVIDES LOAN TO INDIA:

**Why in the news:** Japan gives India 225 bn Yen loan to fund metro expansion, water supply, and crop diversification projects.

#### Significance:

- **Infrastructure Development:** Japan will provide a 225 billion Yen loan for metro rail expansion in Delhi and Bengaluru, a crop diversification project in Himachal Pradesh and rural water supply in Rajasthan.
- **Island Development:** Grant to improve the power supply situation in Andaman and Nicobar Islands. It is the first overseas development assistance project of Japan for the islands and Separately to improve the power supply.
- **Working on climate change:** The loan will help mitigate fluorosis in Rajasthan's Jhunjhunu and Barmer districts.

- **Non-Governmental cooperation:** SBI also signed a loan agreement with Japan Bank for International Cooperation (JBIC).
- **Tackling the Pandemic:** Japan's COVID-19 measures for India, a 50 billion yen emergency assistance loan and grant aid for medical equipment, This is a "budget support" to assist India's policy objectives.
- **Realising Make In India:** It will assist in Make in India initiative. The loan is to promote the smooth flow of funds for the whole range of business operations of Japanese automobile manufacturers in India.

#### k. THE 14TH INDIA-JAPAN ANNUAL SUMMIT WAS HELD IN NEW DELHI:

Recently, the Japanese Prime Minister was on an official visit to India for the **14<sup>th</sup> India-Japan Annual Summit** between the two Countries.

- The Summit took place at a time when the two countries were celebrating the **70<sup>th</sup> anniversary of the establishment of diplomatic relations and India** was celebrating its **75<sup>th</sup> anniversary of Independence**.
- Earlier, the Indian PM virtually inaugurated a Japanese '**Zen Garden - Kaizen Academy**' at the Ahmedabad Management Association (AMA) in Gujarat.

#### What are the Key Points of the Summit?

- **Investment by Japan:**
  - Japan will invest Rs 3.2 lakh crores in the next five years in India.
  - **7 JICA (Japan International Cooperation Agency) loans** for projects in connectivity, water supply and sewerage, horticulture, healthcare, and biodiversity conservation in various States.
    - An MoU has been signed to introduce **Johkasou technology** in India by Japanese companies for decentralised wastewater treatment. It is used in areas where sewage infrastructure has not yet been developed.
- **Sustainable Development Initiative for the North Eastern Region of India:**
  - It has been launched with an eye on India's infrastructure development in the Northeast, and includes both ongoing projects and possible future cooperation in connectivity, healthcare, new and renewable energy, as well as an initiative for **strengthening bamboo value chain**.
- **India-Japan Digital Partnership:**
  - On **cyber security**, the leaders discussed "India-Japan Digital Partnership" with a view to enhancing the digital economy through promotion of joint projects in the **area of IoT (internet of Things), AI (Artificial Intelligence) and other emerging technologies**.
  - Japan is looking forward to attracting more highly skilled Indian IT professionals to contribute to the Japanese ICT sector.
- **Clean Energy Partnership:**
  - It was launched for cooperation in areas such as electric vehicles, storage systems including batteries, electric vehicle charging infrastructure, development of solar energy; hydrogen; ammonia; etc.
  - The objective is to encourage manufacturing in India, **creation of resilient and trustworthy supply chains in these areas** as well as fostering collaboration in R&D (Research and Development).
  - It will be implemented through the existing mechanism of **Energy Dialogue**.
- **Mumbai-Ahmedabad High Speed Rail (MAHSR):**
  - India appreciated **Japan's cooperation on the MAHSR and various Metro projects in India** and looked forward to the planned preparatory survey for the Patna Metro.
- **People to People Engagement:**
  - The **Indian PM confirmed India's participation in the Expo 2025** Osaka, Kansai, Japan, as an opportunity to further strengthen and broaden trade, investment and people-to-people links between the two countries.
- **On Indo-Pacific:**
  - The two leaders expressed their commitment to promoting **peace, security and prosperity in the Indo-Pacific region**.
- **QUAD:**
  - The two PMs affirmed **the importance of bilateral and plurilateral partnerships among like-minded countries in the region** including the **QUAD grouping** between India-Australia-Japan and the United States.
  - The Japanese Prime Minister **invited PM Modi for the QUAD Summit Meeting in Tokyo**.
- **Terrorism:**

- The two leaders reiterated “**condemnation of terrorist attacks in India, including 26/11 Mumbai and Pathankot attacks, and called upon Pakistan to take resolute and irreversible action against terrorist networks** operating out of its territory and comply fully with international commitments, including to **FATF (Financial Action Task Force)**.”
- **Comprehensive Nuclear-Test-Ban Treaty:**
  - The Japanese PM stressed the **importance of early entry into force of the Comprehensive Nuclear-Test-Ban Treaty (CTBT)**.
    - The Treaty intends to ban all nuclear explosions - everywhere, by everyone. It will **enter into force after all 44 States listed in Annex 2 to the Treaty will ratify it**.
    - **India has not yet signed** the Treaty.
- **On Situation in Other Countries:**
  - **Ukraine:** Talked about the **serious invasion of Russia into Ukraine and sought** a peaceful solution on the basis of international law.
  - **China:** India **informed Japan about the situation in Ladakh, about the attempts of amassing troops** and India's talks with China over border-related issues.
    - The Japanese PM also briefed India about his perspective of the **East and South China sea**.
- **Afghanistan:**
  - On Afghanistan, the PMs expressed their intention **to collaborate closely to realize peace and stability in Afghanistan**, and stressed the importance of addressing the humanitarian crisis, promoting human rights and ensuring establishment of a truly representative and inclusive political system.
  - They also **referred to the UNSC Resolution** that unequivocally demands that “Afghan territory not be used for sheltering, training, planning or financing terrorist acts”.
- **North Korea:** The PMs condemned **North Korea’s** destabilising ballistic missile launches in violation of United Nations Security Council resolutions (UNSCRs).
- **Myanmar:** They called on Myanmar to urgently implement **ASEAN’s Five-Point Consensus**.  
Certainly, here's a more concise summary:

#### **Japan's Space Solar Power Plants:**

- Japan is exploring space-based solar power plants that can beam energy to Earth.
- These plants would avoid intermittence issues as they receive continuous sunlight in space.
- A **Japanese research group plans to deploy solar panels at 36,000 kilometers above Earth** and transmit power as microwave radiation to ground-based stations.
- **The UK Space Energy Initiative** and China are also pursuing similar projects.

#### **Way Forward for India-Japan Relations**

- **Address stagnant bilateral trade**, which currently stands at \$20 billion annually, with a trade imbalance.
- **Reduce dependence on China** and accelerate collaboration on non-exploitative infrastructure development in Asia and Africa.
- Promote technology and military hardware transfer.
- Clarify India's stance on the **Quad** and actively participate.
- Speed up project implementation and streamline regulatory processes.
- Strengthen cooperation on **climate change, energy security, and sustainable development**.
- Expand collaboration in sectors **like 5G, submarine cables, industrial competitiveness, supply chain diversification, and northeast state development**.

**Overall, India and Japan aim to enhance their strategic ties and counterbalance China, particularly in economic and defense sectors.**

#### **n. PREVIOUS YEAR QUESTIONS:**

1. The time has come for India and Japan to build a strong contemporary relationship, one involving global and strategic partnerships that will have great significance for Asia and the world as a whole.’ Comment. **(2019)**
2. Economic ties between India and Japan while growing in the recent years are still far below their potential. Elucidate the policy constraints which are inhibiting this growth. **(2013)**

## 7. India – Indonesia relations:

India and Indonesia have a rich history of cultural and commercial exchange spanning over two millennia, with the spread of Hinduism, Buddhism, and later Islam from India to Indonesia.

Shared colonial past, post-independence goals, and cultural influences unite India and Indonesia, emphasising political sovereignty, economic self-sufficiency, and independent foreign policy.

These ties continue to shape their diplomatic engagement, promoting collaboration in various areas and strengthening the relationship between the two nations.

### a. AREAS OF COOPERATION:

- **Defence Cooperation:** India and Indonesia strengthen defence cooperation, including discussions on the potential export of **BrahMos missiles, conduct joint exercises, and align strategically amid China's unilateralism.**
  - India-Indonesia conducted a **Bilateral exercise Samudra Shakti-23 from 14-19 May 2023.**
- **Strategic Partnership:** During PM Modi's visit to Indonesia in 2018, both nations reached a consensus to enhance cooperation within their comprehensive strategic partnership.
  - Their agreement encompassed six key areas, namely **trade, sustainable development of marine resources, disaster risk management, tourism, maritime safety and security, and science and technology collaboration.**
- **Maritime Security:** Indonesia's Global Maritime Fulcrum and **India's SAGAR vision align strategically in controlling crucial sea lines of communication from the Bay of Bengal to the Strait of Malacca.**
  - Both countries have signed naval logistical agreements with Indian Ocean nations.
  - The **Shared Vision of India-Indonesia Maritime Cooperation** aims to enhance connectivity between the Andaman and Nicobar Islands and Sumatra while developing marine resources together.
- **Trade:** Indonesia is now India's second-largest trading partner in ASEAN, with bilateral trade increasing from US\$ 6.9 billion in 2007 to US\$ 21.01 billion in 2021.
  - India's export to Indonesia stood at US\$ 6.7 billion during April-November 2022.
  - India is the second largest buyer of coal and crude palm oil from Indonesia and imports minerals, rubber, pulp and paper and hydrocarbon reserves.
- **Terrorism:** New Delhi and Jakarta have also put in place an arrangement of a **Mutual Legal Assistance Treaty** and instrument of extradition to deal with terror operatives who are a threat to both countries.
- **Connectivity:** The **Sabang port** is being developed in partnership with a neighbour and strategic partner Indonesia. It is **close to the Malacca Strait.**
  - **The Andaman-Aceh Link connects Sabang City in Aceh Province, Indonesia,** with the Andaman and Nicobar Islands, under the "Shared Vision of Maritime Cooperation in the Indo-Pacific" since 2018.
- **Global forums:** Both countries are members of the G20, the Non-Aligned Movement (NAM), the East Asia Summit, and the United Nations

### b. SIGNIFICANCE OF INDIA-INDONESIA RELATIONS:

- **Strategic Location and Security:** Indonesia's location secures critical sea lanes against piracy, smuggling, illegal fishing, and terrorist movements.
- **Access to Sabang:** Granting Indian investors access to Sabang strengthens India's security role in the Indian Ocean.
- **Membership in International Forums:** Both countries are members of G20, NAM, East Asia Summit, and the UN, fostering collaboration on regional and global issues.
- **Countering Chinese Assertiveness:** Indonesia's support strengthens India's Act East Policy amid growing Chinese Assertiveness.
- **Alignment of Vision:** SAGAR and Global Maritime Fulcrum align, promoting regional security and growth.
- **Addressing Terrorism:** Interfaith dialogues combat religious-based terrorism and promote peace in the region.

### c. Challenges in India-Indonesia Relations

- Even after the Comprehensive Economic Partnership with India, **Indonesia would be hesitant to go against China's interests due to its close relationship with China since the Cold War.**
- After independence, **India had good relations with Indonesia because both countries were founders of the Non-alignment movement; however, these relations deteriorated later as India leaned toward the USSR and Indonesia leaned toward the US.** Indonesia backed Pakistan during India's war with Pakistan.
- The demarcation of the two countries **maritime borders in the Andaman Sea** has not been completed. During the visit, however, both parties reiterated their intention to resolve the matter as soon as possible.

#### Way forward:

- **Strengthen Economic Cooperation:** Focus on enhancing trade and investment ties also explore new areas of collaboration to enhance economic cooperation.
- **Enhance People-to-People Exchanges:** Promote cultural understanding and facilitate easier travel.
- **Address Historical Differences:** Engage in open dialogue to overcome past grievances.
- **Resolve Maritime Border Disputes:** Prioritise diplomatic resolution of maritime boundary issues.
- **Deepen Strategic Engagement:** Collaborate on regional security challenges leveraging their shared interests in maintaining a stable Indo-Pacific region.
- **Strengthen Multilateral Cooperation:** Work closely in international forums on common issues.
- **Promote People-Centric partnerships:** Foster collaborations at the grassroots level, such as academic and cultural exchanges, youth programmes, and business interactions.
- **Regular High-Level engagements:** Maintain frequent diplomatic meetings to enhance understanding and trust.

The regional ambitions and increasing maritime orientations of India and Indonesia, combined with their concerns about China's ascent, indicate that they are in a favourable position to establish a comprehensive partnership encompassing various areas.

## 8. India – South Korea relations:

India-South Korea relations have made rapid strides in recent years. With the **convergence of India's Act East Policy (AEP) and South Korea's New Southern Policy (NSP)**, there has been an acceleration of economic and strategic relations between the two countries.

#### The Vision of the New Southern Policy

- **The Korean government's New Southern Policy aims to cultivate its relations with ASEAN and India as key partners in the southern region, raise this partnership to the level of Korea's traditional four major diplomatic partners (the U.S., China, Japan, Russia), develop values that can be empathized with others, and build a mutually prosperous "people centered" community.**
- The New Southern Policy aims to form a multilateral economic and diplomatic framework to adjust to the U.S.'s priority on domestic concerns, which has been in full swing since the inauguration of the Trump administration, and to the expansion of China's influence across East Asia.
- The New Southern Policy **emphasizes the so-called "3P community," which stands for a community of People, Prosperity and Peace.**

#### Bilateral relations:

- Bilateral relations between India and South Korea, officially known as the **Republic of Korea, were established in 1962 and upgraded to Ambassador-level in 1973.**
- **South Korea's open market policies found resonance with India's economic liberalization, and its 'look east policy' and 'act east policy'.**
- The relations has become truly multidimensional, spurred by a significant convergence of interests, mutual goodwill and high level exchanges.
- During PM Modi's visit to ROK in May 2015, the sides elevated the ties to **'Special Strategic Partnership'.**
- President Moon's India visit marked the 45<sup>th</sup> anniversary of bilateral diplomatic ties.
- Cooperate with India in areas like the **Indian ocean region**
- This kind of **bond between the two countries strengthens bilateral cooperation.**

### Why India is important for South-Korea?

- One of the points that the Koreans have been making to India is that they see India as a country that is **now strategically important to them**
- **South Korea also finds in India a very acceptable partner.**
- India doesn't have edges which can create problems for them. They are aware of one factor which they have grown up with, which is the Pakistan factor.
- With new issues cropping up in ties with China and America, export-driven South Korea must find new markets.
- South Korea's economic growth has slowed, presenting it with important challenges.
- South Korea is targeting economies with the greatest growth potential like India.
- South Korea is too heavily dependent on China's market. So diversification is essential for South Korea.
- **Moon sees India as central to NSP's success.**
- Need cooperation for development in third countries, like capacity building programmes in Afghanistan.

### Commercial relations:

- Very strong trade and investment relationship between India and South Korea.
- **Modi personally inaugurated the Samsung factory in Noida, which will be one of the largest electronic manufacturing plants in the country.**
- The economic imperatives are very strong between India and South Korea. Both India and South Korea have not been able to realize their potential till now.
- Economic engagement constitutes the core of our
- Trade and economic relations between India and South Korea gathered momentum after the implementation of CEPA in 2010.
- **A civil nuclear cooperation agreement was signed in 2011.**
- Korean majors like **Samsung, LG, Hyundai and Kia** have invested over \$5 billion in India.
- **From an Indian perspective, it is important to note that India has been deficient in the production of core technologies.** We have been good in services, however, we have been lacking in core technologies. However, if we were to cooperate with South Korea, and if we move in a particular direction, there is definitely space for both to work

### Concerns:

- Both India and South Korea are **concerned about China's rise**, especially when China becomes assertive.
- Both are increasingly **worried about Chinese electronic presence in India.**
- There are some **basic problems which the leaders of India and South Korea would have to tackle. This is also related to the trust between the businesses of India and the businesses of South Korea.**
- the trust level between the business community of the two countries isn't at the level where it should be.
- Despite the formal announcement of a strategic partnership a decade ago, Delhi and Seoul have struggled to impart some real content into it.
- For India, which has begun to adopt the notion of an Indo-Pacific, Korea has not been at top of its regional priorities in Asia.
- Prosperity brought by globalisation to Asia over the recent decades is under stress.
- India has also been **complaining about a 50 billion USD trade deficit.**

### Way Forward:

- India and South Korea should **regularize their summit meetings** and that they meet more frequently at the highest level. This will give directions to the business and industry in each country to work together.
- South Korea is the most technologically advanced nation in Asia after Japan. Therefore, **bringing them Japan on board would be an absolute boost to India's ability** to become a more powerful nation.
- There is an urgent need to strengthen **economic partnership.** As a trade war unfolds between US and China, **Delhi and Seoul** need to liberalise their own bilateral trade relations.
- India would need to work with South Korea on new generation technologies and core technologies, while at the same time consolidating the existing relationship.



- The two sides also need to focus on **expanding bilateral security and defence cooperation** and working together with other countries to **promote a stable Asian balance** of power system.
- Delhi and Seoul should focus on **building flexible middle power coalitions** in Asia to limit the impact of the current volatility in the relations between US and China.
- The business community of both countries must leverage opportunities arising from complementarities between the two economies **to enhance investment**, to promote joint ventures, and to work towards the **goal of raising bilateral trade to \$50 billion by 2030**”.
- At a time when U.S. foreign policy is capricious and unpredictable, and China’s is making purposeful moves towards global domination, it is important that the South Korea-India partnership grows and consolidates, to **contribute to stability in the region**.

## 9. India – Vietnam relations:

The historically rooted close and amicable relations between India and Vietnam can be traced back to their shared struggle for liberation from foreign rule and the national quest for independence.

In recent times, **economic and strategic complementarities and the common threat of China have strengthened economic, defence as well as political relations**.

India-Vietnam relations have been exceptionally friendly and cordial since their foundations were laid by founding fathers of the two countries – **President Ho Chi Minh and President Rajendra Prasad and Prime Minister Nehru**. The traditionally close and cordial relations have their historical roots in the common struggle for liberation from foreign rule and the national struggle for independence.

**Pandit Jawaharlal Nehru was one of the first visitors to Vietnam after its victory against the French at Dien Bien Phu in 1954. President Ho Chi Minh went to India in February 1958.** President Rajendra Prasad visited Vietnam in 1959. In recent times, political contacts have strengthened as reflected in several high-level visits by leaders from both sides. Trade and economic linkages continue to grow. **India’s thrust under the ‘Look East’ policy combined with Vietnam’s growing engagement within the region and with India has paid rich dividends.** Vietnam is an important regional partner in South East Asia.

India and Vietnam closely cooperate in various regional forums such as **ASEAN, East Asia Summit, Mekong Ganga Cooperation, Asia Europe Meeting (ASEM) besides UN and WTO**.

### Bilateral Relations

- Cultural and economic links between India and Vietnam date back to 2nd century.
- India and Vietnam have robust trade and economic relations with bilateral trade of USD 12.8 billion in 2017-18.
- Trade and economic linkages continue to grow.
- Defence Cooperation has emerged as a significant pillar of India’s strategic partnership with Vietnam.
- **Military exchanges between India and Vietnam are quite robust.** The two sides conducted their first-ever bilateral land warfare and naval exercises in early 2018.
- Indian ships regularly make friendly port calls to Vietnam.
- For the first time, **a Vietnamese ship participated in the International Fleet Review at Vishakhapatnam, in February 2016.**
- The **Indian Business Chamber (INCHAM) is an organisation of Indians living in Vietnam**, primarily to promote trade and business interactions.
- The Indian Cultural Centre was opened in Hanoi in September 2016, with the objective of strengthening India’s cultural presence in Vietnam.

### Significance of the Relationship

- **India’s first Prime Minister Pandit Jawaharlal Nehru was one of the first visitors to Vietnam after its victory against the French at Dien Bien Phu in 1954.**
- **Vietnam is a strategic pillar of India’s Act East Policy**, and key interlocutor in ASEAN.
- Over the years, political contacts have strengthened as reflected in several high-level visits by leaders from both sides.

- India's thrust under the 'Act East' policy combined with Vietnam's growing engagement within the region and with India has paid rich dividends.
- India and Vietnam closely cooperate in various regional forums such as **ASEAN, East Asia Summit, Mekong Ganga Cooperation, Asia Europe Meeting (ASEM) besides UN and WTO.**
- Both India and Vietnam possess the capacity to find compatibility in areas promoting defence cooperation and infrastructure simultaneously.
- **Vietnam, which is under maritime pressure from China's activities in the South China Sea (SCS), wants India to deepen its military engagement further.**
- Vietnam has backed India's permanent membership in UN Security Council.
- India has been consistently supporting the Freedom of Navigation, unimpeded flow of commerce and it is supporting Vietnamese and some positions of some other nations in relation to South China Sea. **India is adhering to international laws and UN Convention on the Law of the Sea (UNCLOS).**
- Vietnam supports India's Act East Policy and it believes that India can do a lot of balancing in South Asia as far as other powers are concerned. India is expected by Vietnam and other South East Asian countries to play a stronger role in the region – on the strategic (Indo Pacific issue) and on the economic side. **India's Assistance to Vietnam**
- **The Archaeological Survey of India is helping Vietnam in the preservation and conservation of some of the temples**
- Since 1976, India has offered several Lines of Credit (LoCs) to Vietnam over the years on concessional terms and conditions.
- **Vietnam has been a large recipient of training programmes under Indian Technical and Economic Cooperation (ITEC) programme**

#### Focus on Sub-Regionalism

- As ASEAN continues to focus on its centrality in the region, there will be shifts in smaller members of ASEAN due to China's rise.
- Vietnam is focussing on both **sub-regionalism and regionalism** as the core of its priorities.
- India too looks at both sub-regionalism and regionalism as priority avenues to pursue its foreign policy.
- The **India-Vietnam Joint Statement of March 2018** reiterates the focus given to sub-regionalism
- Another area that is emerging is the **Cambodia-Laos-Vietnam growth triangle sub-regional cooperation.**
- India and Vietnam can jointly explore the potential for enhancing capacity building and providing technical assistance and training within this sub-regional grouping.

#### Common Concerns

- **Bilateral economic ties and trade need to be improved more between India and ASEAN countries if strategic relations are to be improved.** China has relatively better economic relations with South East Asian countries which is a cause of concern for India.
- Shared common security perceptions and strategic convergence in Indo-Pacific region propel both the countries to have good defence and security cooperation. Maritime security cooperation was talked in ASEAN India commemorative summit. **Vietnam and India have been cooperating in many ways like in Milan exercises.** Many other South East Asian countries are also participating in these exercises. India has been providing training to Vietnamese submarines
- An area of potential convergence for both Vietnam and India is health care. **Vietnam has highlighted the importance of linking economic growth to universal health care, whereby 80% population would be covered by health insurance. India too, since 2011, has been focussing on the need to deliver accessible and affordable health insurance to weaker sections of society.** A potential area of convergence in the realm of health care through joint public-private partnership agreements can be explored by the two countries.
- Today there is increasing security concerns in the areas of **maritime security and adherence to the United Nations Convention on the Law of the Sea.**
- Energy sector is a crucial area where much can be done like deals of ONGC with Vietnamese companies. But, China has been raising concerns about this.

**Time bound delivery of specific projects** between India and ASEAN countries should be looked at. Relation roles in the fields of political, economic, strategic field including defence and security which are in the upward trajectory. It can be **expected that political relations get improved in the coming 5 years** when the diplomatic relations complete 50 years between the two nations. But **India needs to improve economic ties with Vietnam** to achieve the set target up to 2020. Scholars have now been saying that **BIMSTEC** which has two South East Asian countries namely, Myanmar and Thailand should **consider to expand itself to Vietnam, Laos and Cambodia**. Then it will be a very powerful body and **lasting link between India and ASEAN**.

## 10. India – Thailand relations:

The **8<sup>th</sup> India-Thailand Defence Dialogue** was held in Bangkok, Thailand, during which both sides expressed satisfaction at the ongoing bilateral defense cooperation.

### What are the Key Highlights of the Dialogue?

- The progress on various bilateral defence cooperation initiatives was reviewed.
- The co-chairs identified **means to enhance existing areas of collaboration**, especially in the field of defence industry, maritime security and multinational cooperation.
  - Thailand expressed confidence in the capability of the Indian defence industry.
- The two chairs also **articulated steps in the direction of emerging areas of cooperation** and issues pertaining to global commons.



### How have India's Relations been with Thailand?

- **Diplomatic Relations:**
  - Thailand and India have a **longstanding diplomatic relationship that dates back to 1947**.
  - The relationship is built on a foundation of **economic and cultural ties that have existed for more than 2000 years**.
  - India's '**Look East**' policy (since 1993) and Thailand's '**Look West**' policy (since 1996) which has now metamorphosed into India's '**Act East**' and Thailand's '**Act West**' are strongly contributing to consolidating bilateral relations including economic & commercial linkages.
- **Economic And Commercial Relations:**
  - Bilateral trade was USD 12.12 billion in 2019 and it reached USD 9.76 billion in 2020 despite the pandemic situation.
    - Thailand exports to India amounted to USD 7.60 billion, while Indian exports to Thailand were worth **USD 4.86 billion in 2018**.
  - Bilateral trade between India and Thailand reached an all-time high of around **USD 15 billion in 2021-22**.
  - In the **ASEAN region, Thailand ranks as India's 5<sup>th</sup> largest trading partner** after Singapore, Vietnam, Indonesia and Malaysia.
    - Currently, **Thai goods have benefited from tax reduction** under ASEAN-India FTA in Goods, which came into effect in January 2010.
- **Defence Cooperation:**

- The bilateral defence engagements have expanded over time and include Defence Dialogue meetings, military-to-military exchanges, high-level visits, capacity-building and training programs, and the annual joint military exercises.
- **Defense Exercises:**
  - **Exercise MAITREE** (Army).
  - **Exercise SIAM BHARAT** (Air Force).
  - **India-Thailand Coordinated Patrol** (Navy).
- **Connectivity:**
  - In 2019, approximately 1.9 million Indian tourists visited Thailand, while around 160,000 Thai tourists visited India mainly for **Buddhist pilgrimage sites**.
  - India and Thailand are working together to improve regional connectivity also under the **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)** framework.
  - The most awaited **India–Myanmar–Thailand Trilateral Highway** is expected to expand land connectivity through Northeast India and Southeast Asia, becoming the first-ever cross border facilitation agreement between South and Southeast Asia.
- **Cultural Cooperation:**
  - India and Thailand have a strong cultural exchange program with regular visits of Indian cultural troupes, festivals, and events.
  - An Indian Cultural Centre, now known as the **Swami Vivekananda Culture Centre**, was established in **Bangkok in 2009**.
  - The **550<sup>th</sup> birth anniversary of Sri Guru Nanak Dev Ji** was also celebrated in Thailand with various events and a grand Nagar Kirtan procession in Bangkok.
  - The **Thai language translation of the Constitution of India** was launched in Thailand.

#### Way Forward

- Both should address issues regarding **trade barriers and reducing import duty charges through bilateral engagements** to expand trade and investments.
- Collaboration opportunities between India's start-up ecosystem and Thailand should also be explored.
- The two countries can work together to bridge supply chain gaps by investing in each other's markets.
- It is also essential to continue to strengthen strategic and security cooperation through **defense engagements, military-to-military exchanges, and joint exercises**.

## 11. India – Australia relations:

The mutual principles of **pluralistic, Westminster-style democracies, Commonwealth traditions, growing economic cooperation**, and expanding high-level interaction serve as the foundation for India and Australia's bilateral relationship.

The deep friendship between Australia and India is about more than trade and diplomacy. **Founded on Bharosa (trust) and Samman (respect) and Dosti (mateship)**

### a. BACKGROUND:

- India and Australia were part of the British Empire and have their federal structures inspired by British polity.
- Indian constitution has borrowed elements like the concept of the **concurrent list, and freedom of trade and commerce**. Presently both countries are members of the British Commonwealth.
- **Strategic partnership (2009), Uranium supply deal (2014), and QUAD** grouping marked significant advancements in the relations between the two countries

### b. AREAS OF COOPERATION:

- **Economic Ties:**
  - **Trade and Investment:** India is the 9th largest trading partner of Australia and bilateral trade crossed US \$ co billion in 2021.
  - **Interim Free Trade Deal:** Both nations signed the deal to provide zero-duty exports to 100% tariff lines from India to the Australian market, benefiting labour-intensive sectors besides providing greater access to the services space.
  - **Import/Export Commodities :**
    - **Export:** Motor vehicle & machinery, Pharma products, pearls, jewellery.
    - **Import:** Coal, Gold, Uranium, Copper, Education services.
  - **Recent Agreement:** India-Australia Economic Cooperation and Trade Agreement ("IndAus ECTA") and Double Taxation Avoidance Agreements (DTAA) have been signed and ratified.
    - As a result, The Indian IT companies will not be double taxed from the financial year 2023-24.
- **Educational cooperation:**
  - **The Australia-India education qualification recognition mechanism was signed in 2023.** Now, degrees earned in Australia will now be recognized in India, and vice versa,
    - **Australian Deakin University and the University of Wollongong** will be the first international educational institutions to **establish campuses in GIFT City, Gujarat.**
- **Defence collaboration:**
  - **Mutual Agreement:** The **2009 Joint Declaration on Security Cooperation, the 2+2 Ministerial Dialogue between India, and the Mutual Logistics Support Agreement** all contribute to the strong defense ties between Australia and India.
  - **Joint military exercises:** India will participate in defence exercises "**Malabar**" and "**Talisman Sabre**" with Australia.
- **Energy Cooperation:**
  - **Lower cost of Renewable energy:** Both nations signed a Letter of Intent (in 2022) on New and Renewable Energy for cooperation to lower the cost of renewable energy technologies, including ultra-low-cost solar and clean hydrogen.
  - **Nuclear Deal:** both countries signed a **Civil Nuclear Cooperation Agreement** that provides the framework for significant new energy trade between Australia and India.
  - **Financial support:** India announced Australian Dollars (AUD) 10 million for Pacific Island Countries under the International Solar Alliance (ISA).
- **Multilateral Cooperation**
  - **Cooperation at Multilateral fronts:** Both are members of the **ASEAN Regional Forum, Quad, Commonwealth, Indian Ocean Rim Association, and Asia Pacific Partnership on Climate and Clean Development** for regional and global stability.
  - **APEC membership:** Australia is a key participant in the Asia Pacific Economic Cooperation and is in favour of India's APEC membership.

- **Supply chain support:** India, Australia, and Japan collaborated to strengthen Indo-Pacific supply chains under Supply Chain Resilience Initiative (SCRI).
- **Science and Technology:**
  - The **Australia-India Strategic Research Fund (AISRF)** is a key component of international cooperation in the technology field.
  - **India Australia Circular Economy Hackathon 2021** was successfully held in both nations.
  - The **Gaganyaan Space Program in India** is also supported by Australia.

#### c. CHALLENGES:

- **Carmichael Coal Project:** The Adani Coal Project has been the target of protests from some environmentalists, which has caused delays in the project's execution.
- **Visa issues:** Concerns have been raised about visa limitations for Indian professionals and students who want to work in Australia.
- **India's Stands on the Ukraine crisis:** Australia has denounced Russia's invasion of Ukraine and taken the side of the United States and other Western nations. India has chosen not to criticize Russia on this matter, though.
- **No Free Trade deal:** Despite decades of interaction and communication, neither country has been able to agree on a Free Trade deal.
- **Trade Deficit:** Since 2001-02 India's trade deficit has been rising. This is largely due to Australia's lower share of services trade with India.
- **CECA Negotiations:** The differences between Australia's demand to access the Indian dairy sector and India's demand to have greater free movement and relaxed visa norms for its IT professionals have become an issue of contention impeding the progress of CECA.
- **Chinese Influence:** The Chinese pressure has affected the foreign policies of both nations which have prevented the full realisation of their engagement.
- **Uranium Supply:** There has not been significant growth in uranium supply since the 2014 bilateral agreement. Recently DAE has turned down the offers given by Australian companies due to economic viability
- **Attacks on Indians:** The racist attacks on Indians have become a major issue which is increasing the gulf between people-to-people ties.

#### d. WAY FORWARD:

- **Competitiveness in Trade and Economy:** India would need to concentrate on increasing its economic competitiveness since it would be competing with countries like China, ASEAN, Chile, Japan, Korea, and New Zealand, which have already-operational FTAs with Australia.
- **Curb religious extremism:** Australia needs to curb the activities of Khalistani groups and attacks on temples in Australia.
- **Active diplomatic engagement:** Australia should accelerate the amendment of its domestic tax law to eliminate taxing the offshore profits of Indian companies that provide technological services to Australia.
- **Collaboration on Science & Technology:** India and Australia can extend their cooperation in innovation and startups. The Australian Government's \$1.1 billion National Innovation and Science Agenda can complement India's 'Start-up India' and 'Make in India' campaigns.
- **Encourage cooperation in space:** India can provide a commercial Space platform to Australia for several of its Space initiatives.



## 12. India – United Kingdom relations:

India-UK relations also known as **Indian–British relations** refer to international relations between India and the United Kingdom. **Both countries are full members of the Commonwealth of Nations.**

### Bilateral Relations

- India and the United Kingdom share a modern partnership bound by strong historical ties
- India's multifaceted bilateral relationship with the UK intensified with its up-gradation to a Strategic Partnership in 2004
- **A Joint Declaration titled 'India-UK: towards a new and dynamic partnership'** which envisages annual Summits and regular meetings between Foreign Ministers
- Civil nuclear energy, space, defence, combating terrorism, economic ties, science & technology, education and culture are the areas of cooperative relations between India and UK
- **The UK supports India's proposal for permanent membership of the UNSC** and is also an important interlocutor for India in the European Union (EU), Group of Eight (G-8), G20 and global contexts

### Latest Developments in the India – UK Relations

India and the UK are in talks to build a pathbreaking partnership designed to boost cooperation in critical strategic technologies.

- The proposed partnership is expected to focus on **semiconductors, telecommunications, critical minerals and other technologies with strategic implications.**
- The focus will also be on **linking Indian firms with cutting-edge research facilities based in the UK focusing on 5G and other crucial technologies.**
- Another key focus will be building pathways for greater mobility for research talent to move between the countries.
- The agreement will **remove red tape standing in the way of major collaborations**, while **unleashing a raft of new joint research schemes** aiming to deliver progress on some of the biggest issues facing the world, from **climate change and pandemic preparedness to AI and machine learning.**
- The objective of this agreement is to **enable quicker, deeper collaboration on science between the two countries, with the aim of helping economic growth, creating skilled jobs** and improving lives in the UK, India, and worldwide.

### Political Relations

- India and UK are bound by strong ties of history and culture.
- **India has a high commission in London and two consulates-general in Birmingham and Edinburgh.** The United Kingdom has a high commission in New Delhi and five deputy high commissions in Mumbai, Chennai, Bangalore, Hyderabad and Kolkata.
- The United Kingdom has an Indian population of over 1.5 million
- **Both countries are also members of the World Trade Organization and the Asian Development Bank**
- Three Presidents of India have paid state visits to the United Kingdom: **Sarvepalli Radhakrishnan in June 1963, Ramaswamy Venkataraman in October 1990, and Pratibha Patil in 2009**
- Indian Prime Ministers including **Manmohan Singh and Narendra Modi** have also paid a visit to the country during their tenures as the PM of India
- **Queen Elizabeth II of the United Kingdom paid state visits to India in November 1963, April 1990, and in October 1997**
- There have been regular exchanges of visits at the Prime Ministerial level since the Strategic Partnership in 2004

### Economic Relations

- The economic and commerce matters are guided based on the **institutionalised dialogues of India-UK Joint Economic & Trade Committee, Economic and Financial Dialogue and India-UK Financial Partnership**
- The growth of India's multinational companies contributed greatly to UK's business and economy. As of 2019, Indian companies in the UK generated over 48 billion pounds
- In September 2017 the High Commission of India in the UK, with the support of the UK India Business Council, announced the Access India Programme, a unique scheme set up to help many more UK SMEs export to India

## Trade Relations

- **The UK is among India's major trading partners** and during the year 2016-17, the UK ranked 15th in the list of India's top 25 trading partners
- As per trade statistics of MoC&I, India's trade with the UK in 2017-2018 was the US \$14.497 billion

## India-UK Relations – Investment

- **UK is the 4th largest inward investor in India, after Mauritius, Singapore and Japan** with a cumulative equity investment of US \$26.09 billion (April 2000-June 2018)
- It accounts for **about 7% of all foreign direct investment into India**
- As per the data released in 2018, **India was the third-largest investor in the UK and emerged as the second-largest international job creator** with Indian companies having created over 110,000 jobs in the UK
- As of December 2018, the total consolidated revenue of Indian companies in the UK is £47.5 billion with the technical and telecom sector accounting for 31% with the pharmaceuticals and chemicals sector mapping 24% of the India-tracker

## Educational Relations between India and UK

- **The UK-India Education and Research Initiative (UKIERI) was launched in 2005** with a focus on higher education and research, schools and professional and technical skills
  - Joint Working Group on Education, **Newton-Bhabha Fund and Scholarship schemes** are some other educational initiatives by the two countries for maintaining the bilateral relationship
  - During the visit of the Prime Minister to the UK in November 2015, the following announcements relating to education were made:
    - 2016 was announced as the **UK-India year of Education, Research and Innovation**
    - Virtual partnerships would be initiated at the school level to enable young
    - People of one country to experience the school system of the other
    - Country and develop an understanding of the culture, traditions and social and family systems
    - UK's plans for 25,000 UK students to go to India through the Generation UK- India programme by 2020, including 1000 UK interns with Tata Consultancy Services in India by 2020
    - Launch of the 3rd phase of the UK India Education and Research Initiative
- UK also supports the Skills India Mission** and announced a fresh commitment of up to £12 million

## Cultural Links between India and the United Kingdom

- India and UK signed a **Memorandum of Understanding on Cultural Cooperation in July 2010**
- The **Nehru Centre (TNC), established in 1992 in London, is the cultural outreach of the High Commission of India in UK.** It organises a wide range of cultural functions at its premises
- There has been a gradual mainstreaming of Indian culture and absorption of Indian cuisine, cinema, languages, religion, philosophy, performing arts, etc.
- A **Midnight Freedom Run was organized in London by the High Commission of India in the midnight hours of August 14-15, 2017 to commemorate of 70 years of India's independence**

### What was the 2017 UK-India Year of Culture?

The Queen hosted a grand reception at Buckingham Palace in February 2017 to launch the activities under the Year of Culture, a special Independence Gala event which was held at the Royal Festival Hall on 4 October 2017. It was attended by Late Arun Jaitley as a representative of Prime Minister Narendra Modi.

## India-UK Relations – Defense

Cooperation in the defence sector is another important pillar of bilateral cooperation. **During Prime Minister's visit to the UK in November 2015, the two countries agreed to elevate their Defence relationship by establishing capability partnerships in strategic areas.**

At all the three services level, joint exercises and wide-ranging exchanges between the three services are conducted regularly.

Indians in the United Kingdom

As of **January 2013**, the **Parliament of UK has 8 Indian origin MPs and 24 Indian-origin Lords**. In addition, there are over 180 Indian origin Councillors elected to Councils across UK.

**The Indian Diaspora in UK is one of the largest ethnic minority communities in the country**, with the 2011 census recording approximately 1.5 million people of Indian origin in the UK equating to almost 1.8 percent of the population and contributing 6% of the country's GDP.

### 13. India – EU relations:

- **S. Jaishankar:** Recognising that we live in a rebalancing, multipolar world, both India and the EU should aim to build a more 'compact' relationship to engage with this new reality.
- **Stefania Benaglia:** Post Galwan Clash India is waking up to the fact that in today's fragmented world, the power of any aspiring global player depends on the number and quality of its bi- and multilateral relationships. In this context, the EU is a useful partner India can rely on. At the same time, the EU needs a strong partnership with India to meet its leadership objectives of becoming a global actor and tackling climate change.

Relations between India and the European Union extend back to the early 1960s, with **India being one of the first countries to establish diplomatic relations with the European Economic Community**. The complementariness shared by India and the EU include a pluralistic society, a market economy, and political democracy.

The **25th-anniversary celebration of Indo-French strategic partnership** is a good moment to begin India's **re-engagement with European security**. Defence cooperation between India and France could contribute to Eurasian security this century. The **Prime Minister's visit to France** is expected to produce a bounty of new agreements, especially in defence and space, and raise the bilateral strategic partnership to a higher level. The visit is not just about what advanced technologies and arms France can give. It also highlights a theme not often discussed what India can do for France and Europe.

#### Why is India's Contribution to European Security Important?

- **Historical Contribution:**
  - India has helped secure peace in Europe **during the two world wars**, when millions of Indian soldiers fought and died for the allied cause.
- **Economic Interest:**
  - India has a stake in the **stability and prosperity of Europe**, which is a major trade and investment partner, a **source of technology and innovation**, and a **fellow democracy**.
- **Security Concern:**
  - India has an interest in the resolution of the **ongoing war in Ukraine**, which has **implications for Asian security and the global order**.
- **Diplomatic Role:**
  - India has an opportunity to play a constructive role in **bridging the gaps between Russia and the West**, as well as between China and Europe, on various regional and global issues.
- **Strategic Partnership:**
  - India has a potential to collaborate with France and other European countries on modernising its **defence industrial base, enhancing its maritime surveillance capabilities**, and promoting renewable energy and climate action.

#### What is the Significance of Europe for India?

- **Employment:**
  - The European Union (EU) works closely with **India to promote peace, create jobs, boost economic growth** and enhance sustainable development across the country.
- **Financial Assistance:**
  - As India graduated from a **low to medium income country** (OECD 2014), the **EU-India cooperation** also evolved from a traditional financial assistance type towards a partnership with a focus on common priorities.
- **Trade:**
  - The **EU is India's 2nd-largest trading partner** (after the US) and **India's 2nd-largest export market**. India is the EU's 10th largest trading partner, accounting for **2% of EU total trade in goods**.

- Trade in services between the EU and India **reached 40 billion Euro in 2021.**
- **Exports:**
  - India's merchandise **exports to EU member countries stood at about USD 65 billion in 2021-22**, while imports aggregated at USD 51.4 billion.
  - In 2022-23, the exports aggregated at **USD 67 billion**, while imports stood at USD 54.4 billion in 2021-22.
- **Other Bilateral Mechanism:**
  - At the 2017 **EU-India Summit**, leaders reiterated their **intention to strengthen cooperation on the implementation of the 2030 Agenda for Sustainable Development** and agreed to **explore the continuation of the EU-India Development Dialogue.**

#### **What are the Challenges for India's Engagement with European Security?**

- **Historical Dependence:**
  - India's historical **dependence on Russia** for its defence needs and its **reluctance to criticise Russia's actions in Crimea and Ukraine.**
- **Institutional Gap:**
  - India's lack of institutional linkages with European security organisations such as **North Atlantic Treaty Organisation (NATO), Permanent Structured Cooperation (PESCO), and Club de Berne.**
- **Perceptual Gap:**
  - India's perception of Europe as a **secondary player in Asian security affairs** compared to the US, Japan, Australia, and **ASEAN.**
- **Resource Constraint:**
  - India's **limited resources and capabilities to project** its influence and **presence in Europe** amid competing priorities in its neighbourhood and beyond.

#### **What are the Opportunities for India's Engagement with Europe?**

- **Strategic Convergence:**
  - India's growing strategic convergence with France on various issues **such as counter-terrorism, maritime security, space cooperation, defence technology, and multilateralism.**
- **Cultural Collaboration:**
  - India's participation in the **Indo-French Year of Culture 2023-2024**, which will showcase the **cultural diversity and creativity** of both countries and foster people-to-people ties.
- **Regional Vision:**
  - India's alignment with the EU's vision of a **free, open, inclusive, and rules-based Indo-Pacific region**, which was articulated in a strategy document released in 2021.
- **Flagship Projects:**
  - India's involvement in some of the flagship projects with France such as the **Scorpene submarines, the Rafale jets, and the ISRO-CNES satellite constellation.**
- **Green Cooperation:**
  - India's support for the **European Green Deal**, which aims to make the EU carbon-neutral by 2050, and its **collaboration with France on the International Solar Alliance and the One Planet Summit.**

#### **What are the Recent Initiatives taken by India and France?**

- **Logistics Agreement:**
  - The signing of a **reciprocal logistics support agreement** between their armed forces in 2018, which allows them to access each other's military bases for refuelling and replenishment.
- **Joint Exercises:**
  - The holding of regular **joint exercises** between their navies (**Varuna**), armies (**Shakti**), air forces (**Garuda**), and special forces (**Shakti**).
- **Maritime Dialogue:**
  - The launch of a bilateral maritime security dialogue in January 2019, which covers issues such as **freedom of navigation, maritime domain awareness, anti-piracy operations, and capacity building.**
- **Cybersecurity Working Group:**

- The establishment of a **joint working group on cybersecurity** in 2019, which **aims to enhance cooperation on cyber resilience, digital governance, data protection, and cybercrime prevention.**
- **Defence Dialogue:**
  - The creation of an annual defence dialogue at the ministerial level in October 2019, which provides strategic guidance to their defence cooperation.

### What Should be the Way Forward?

#### ▪ Potential Areas of Cooperation with Germany:

- Germany recognizes India as a crucial partner in resolving global challenges such as **climate change, food security, energy, and international peace and security.**
- Given the need for India and Germany to disentangle from their connections with Russia, the leaders of both nations **can work together to find solutions and navigate this complex situation.**
- India should prioritize making itself an appealing destination for German investment, especially as Germany seeks to reduce its exposure to the Russian and Chinese markets.

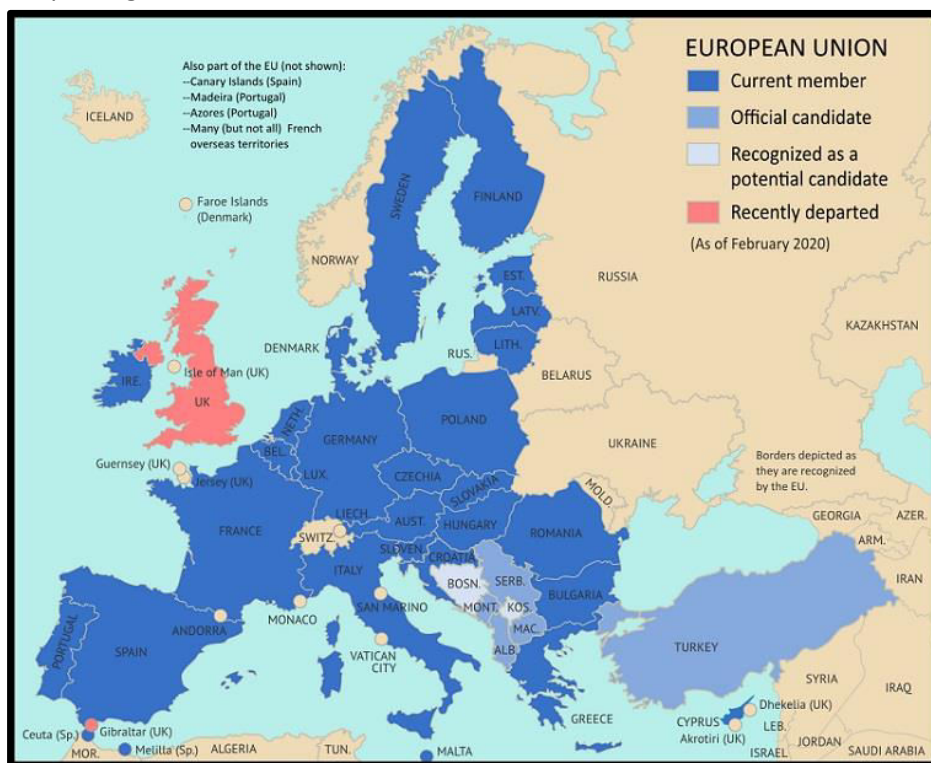
#### ▪ Potential Areas of Cooperation with France:

- France plays a critical role in India's ambitious plans to expand domestic weapon production with increased private and foreign investment.
- France is an ideal partner in the Indo-Pacific, particularly in light of the Joint Strategic Vision for cooperation in the **Indian Ocean Region** established by both countries.
- Discussions should encompass emerging areas of collaboration, including connectivity, climate change, cybersecurity, and science and technology.

#### ▪ Engaging the Nordic Countries:

- Despite their modest population size, the **Nordic Five Denmark, Finland, Iceland, Norway, and Sweden** boast a combined GDP of \$1.8 trillion, surpassing that of Russia.
- In recent years, India has recognized the **significant contributions each European nation can make to its development.**

- Luxembourg offers **substantial financial clout**, Norway possesses impressive maritime technologies, Estonia excels in **cyber power**, Czech Republic demonstrates **expertise in optoelectronics**, Portugal serves as a **gateway to the Lusophone world**, and Slovenia provides commercial access to Europe through its **Adriatic Sea port at Koper.**



- India should **focus on building a unique green strategic partnership with Denmark** and further engage with the Nordic countries to maximize their potential for cooperation.

#### a. BROAD-BASED TRADE AND INVESTMENT AGREEMENT (BTIA):

Recently, government officials have revealed that India and the **European Union (EU)** are set to resume negotiations for a **Bilateral Trade and Investment Agreement (BTIA)**. The BTIA talks have been suspended since 2013.

- However, at **India-EU Leaders' Meeting** earlier this year, both countries agreed to relaunch free trade negotiations for the BTIA and also adopted a Connectivity Partnership.

## Key Points

### ▪ About BTIA:

- **Background:** India and EU had launched talks for having a wide-ranging **Free Trade Agreement (FTA)**, officially called broad-based BTIA, long ago in 2007.
    - The BTIA was proposed to encompass trade in goods, services and investments.
    - However, the talks stalled in 2013 over differences on market access and movement of professionals.
  - **Scope:** The EU was India's largest trading partner in goods 2019-20, ahead of China and the US, with total trade close to USD 90 billion.
    - With the signing of the BTIA, India and the EU expect to promote bilateral trade by removing barriers to trade in goods and services and investment across all sectors of the economy.
  - **Challenges:** Pursuit of self-reliance has been accelerated by the Covid-19 crisis under the **Atmanirbhar Bharat Mission**. This is perceived by the European Union as India's "**protectionist stance**".
    - **India may find it difficult to meet the sustainable standards in labour and environment** on which the EU now lays greater emphasis.
  - **Significance:** India seeks to signal that it means business and is **not averse to signing trade agreements after it opted out of the Regional Comprehensive Economic Partnership (RCEP)** at the last moment.
    - The **EU, in turn, wants to diversify its value chain away from China to India** and, hence, there is interest on its part also to have a trade agreement with India.
- ### ▪ Connectivity Roadmap:
- **More than Physical Connectivity:** It is an ambitious and comprehensive connectivity project, which not only focuses on physical infrastructure but also envisages enhancing digital, energy, transport and people-to-people connectivity.
  - **Components:** India-EU connectivity roadmap covers three main areas — trade and investment, science and technology and **Sustainable Development Goals (SDG)**.
  - **Regional and Multi Stakeholder Approach:** The focus areas were connectivity within the country, building connectivity with Europe and in that process work with other countries in South Asia and **Info-Pacific**.
    - It will catalyse private and public financing for connectivity projects.
  - **Counterfoil to BRI:** The report titled *India-EU Connectivity: Partnership for Development, Demand and Democracy* underlines that the connectivity road map indirectly seeks to counterfoil China's **Belt and Road Initiative (BRI)**.
    - As it stressed on principles like democracy, rule of law, inclusiveness and transparency and avoiding debt trap.

## Way Forward

- **Geo-Economic Cooperation:** India can pursue EU countries to engage in Indo-pacific narrative, geo-economically if not from security prism.
  - It can mobilise massive economic resources for sustainable development of regional infrastructure, wield political influence and leverage its significant soft power to shape the Indo-Pacific discourse.
- **Finalisation of Indo-EU BTIA Treaty:** India and the European Union have been negotiating a free trade deal, but it is pending since 2007.
  - Therefore, for closer convergence between India and the EU, both should engage in finalisation of the trade deal as soon as possible.
- **Collaborating With Important Players:** French President Emmanuel Macron's visit to India in early 2018 unveiled an expansive framework for revitalising the strategic partnership.
  - **India's partnership with France** now has a strong regional anchor in the Indo-Pacific narrative.
  - India is also engaged in negotiations for **a trade pact with the UK**.

## b. ROADBLOCKS IN NEGOTIATIONS:

### Trade in goods:

- **India's concerns:** The EU has demanded the lowering of tariffs on wines, spirits, dairy and automobiles, but India has raised concerns that this could lead to European imports flooding the market.
- **Lowering of non-tariff barriers:** India has also demanded the lowering of non-tariff barriers in the sanitary and phyto-sanitary sectors and technical barriers imposed by the EU.



- **Legally binding clauses:** India has concerns about legally binding clauses on human rights, and social and environmental and labour standards in EU.
- **IPR:**
  - **Strengthen its IPR regime:** The EU expects India to strengthen its IPR regime, which may have a critical impact on India's vast pharmaceutical and generic drug sector.
  - **Ever-greening and exclusivity:** Indian legislation bans both "ever-greening of patents and the exclusivity of test data saying they jeopardise the sale of low-priced generic drugs and chemicals". Also, the EU's demand of 'data exclusivity' was rejected by India.

#### **Data-secure country:**

- **Data secure country status:** EU has not given data secure country status to India. Without this, the flow of sensitive data can be hindered, increasing operating costs for Indian businesses in the EU.
- **Data-privacy standards:** However, given EU concerns over its regulatory norms and data-privacy standards, it remains highly unlikely that the grouping will agree to this demand.

#### **Services sector:**

- **Greater access to market:** While India has demanded greater access to the European market under Modes 1 and 4, the EU has demanded increased access to the Indian economy under Mode 3.
- **EU could not commit much in Giving work permits and visas:** As it is primarily the competence of individual EU member states, so the EU could not commit much. Moreover, the EU had different qualifications and professional standards. Both these factors made the trade deal less attractive for India.
- **Investor-State Dispute Settlement mechanism:** Another contentious aspect is the Investor-State Dispute Settlement mechanism in which the EU wants detailed provisions while India is reluctant to accept this provision.
- **Bilateral investment treaties:** The EU is particularly concerned by India's decision to terminate existing bilateral investment treaties (BIT) in 2016, prompting nations such as France and the United Kingdom to renegotiate earlier pacts based on a new model of the BIT authorized in 2015.
- **Lack of political will:** The differences that arose during the trade and investment talks were too wide to be overcome without a political push from the higher level

#### **c. WAY FORWARD:**

- **Negotiations from both sides:** Must look beyond the multiple differences to focus on the complementarities.
- **Greater cooperation in areas like green technology and artificial intelligence:** India and the EU could start by negotiating less challenging sectors and strive for deeper cooperation in emerging areas such as green technology and artificial intelligence, which might result in a more balanced outcome in the discussions.
- **Cooperate in healthcare:** India's pharmaceutical manufacturing capabilities coupled with access to European healthcare technologies can provide new avenues for enhancing partnerships and promoting innovation between the partners.

The signing of the BTIA would not only boost India's and the EU's global status, but it will also provide an opportunity to better integrate their relationship on various shared goals such as the green economy, sustainable development, and resource efficiency.

#### **d. THE EU-VIETNAM FREE TRADE AGREEMENT:**

- A new landmark free trade agreement between Vietnam and the European Union entered into force on 1 August 2020. It is the **most comprehensive agreement to be put in place to date between the European Union and any ASEAN Member State.**

#### **Provisions of EU-Vietnam Free Trade Agreement:**

- **Preferential treatment:** The agreement provides expansive preferential treatment for both goods and services, recognition and protection of geographical indications for over 200 products, liberalized government procurement rules, and obligations for antitrust and mergers.
- **Sustainable development:** It also contains sustainable development provisions including legally binding rules on climate, labour and human rights.
- **Removal of tariffs:** The EUVFTA's centrepiece is the near-complete elimination of tariffs between the EU and Vietnam, including the reduction of more than 99% of customs taxes within ten years. Duty-free access will be

granted to 65% of EU exports to Vietnam and 71% of Vietnamese exports to the EU immediately upon entry into force.

- In the service sector, many of the concessions offered by each party exceed those provided under the WTO trade-in services agreement, including packaging services, building-cleaning services, interdisciplinary R&D services, and nursing services.

#### Effects on India:

- **India's exports of footwear, garments, marine products and furniture to the European Union stand to be the worst hit.**
- In the apparel sector, **India will need to pay 9 per cent duty (in the EU), while Vietnam will not pay any duty.**
- EU may pressurize India to expedite the conclusion of BTIA and inclusion of issues such as government procurement, labour standards and sustainability which India finds difficult to accept.
- **An advantageous location for investments:** The EVFTA will also make Vietnam a more advantageous location for investments moving out of China due to the China-US trade war, instead of India

#### Way forward:

- **Foreign Policy:** India and the EU have an opportunity to transform their economic ties into a strategic partnership through increased dialogue, realignment of trade policies, and collaboration in post-pandemic times.
- **Security:** Focusing on the exchange on strategic priorities, security issues, crisis management and peacekeeping.
  - Strengthen cooperation: in non-proliferation and disarmament, maritime security, counter-terrorism and cyber security.
- **Trade and investment, Business & Economy:**
  - **Export potential:** India has an untapped export potential of \$39.9 billion in the EU and Western Europe, and both sides need to use the IFM to promote and facilitate EU investment flows into India.
  - **Climate change and clean energy:**
    - **Clean Energy:** Strengthen the India-EU Clean Energy and Climate Partnership agreed at the 2016 Summit and prepare and implement a new work program.
    - **Low greenhouse gas emission:** Focus should be on energy security, electric vehicle charging infrastructure, and energy research & innovation.
    - **Healthcare:** The linking of research efforts between India and the EU can create new opportunities for joint ventures and enhanced trade.
    - **Collaborate to strengthen the WHO:** India and the EU can collaborate to strengthen the WHO and bring together stakeholders, experts, and global economic institutions to address health crises.

India and the EU have a close bilateral relationship with far-reaching economic, political, and strategic implications for the world order in crisis. Both sides must use strong political will to expand bilateral ties and acknowledge significant geopolitical and strategic convergences. The EU's India strategy was adopted in 2018.

#### e. PREVIOUS YEAR QUESTIONS

1. 'Indian diaspora has a decisive role to play in the politics and economy of America and European Countries. Comment with examples. (2020)

## 14. India – Germany relations:

Recently, the **External Affairs Minister of India** met with the **Foreign Minister of Germany** in New Delhi.

- Germany's minister's visit coincided with the launch of an **"oil price cap"** plan by the **G7 and European Union** countries to withdraw shipping and insurance services to countries that buy Russian oil above the price of USD 60 a barrel.

### What are the Key Highlights of the Meeting?

- India and Germany signed a **Comprehensive Partnership on Migration and Mobility** meant to **ease travel for research, study and work** for people in both countries.
  - It would be the **"basis for a more contemporary partnership"** to relations.
- The two sides held **talks on bilateral issues**, including Germany's assistance to India on **renewable energy** and energy transitions, as well as international issues such as their Indo Pacific strategy, and spoke about China, Afghanistan and Pakistan.

### What is the Oil Price Cap by the G7?

- **About:**
  - It is a plan by the **G7 with the European Union and Australia to impose the price cap on Russian crude oil** shipments, pegged at **USD 60 to a barrel for now**.
  - The price cap is essentially **aimed at preventing firms in signatory nations from extending shipping, insurance, brokering and other services to Russian crude oil shipments** that are sold at any value above the designated per-barrel price i.e., USD 60 per barrel.
    - Since it came into effect on **5<sup>th</sup> December 2022**, the cap will only apply to shipments that are **"loaded" onto vessels after the date and not apply to shipments in transit**.
- **India's Stand:**
  - Despite the **United States-led sanctions on Russia** post its **invasion of Ukraine**, India has decided to not just continue with, but also **double its trade with Moscow in the "near foreseeable future"**.
    - India's consumption of Russian oil was just one-sixth of European consumption and should not be compared unfavourably, defending the government's decision to increase its intake of Russian oil since the war in Ukraine.



### How has the India Germany Relations been?

- **India-German Ties:**
  - The bilateral relations between India and Germany are founded on **common democratic principles**. India was amongst the **first countries to establish diplomatic ties with the Federal Republic of Germany** after the **Second World War**.
  - Germany cooperates with India to the tune of **1.3 billion Euros a year in development projects**, 90% of which serves the purpose of fighting **climate change**, saving natural resources as well as **promoting clean and green energy**.
  - Germany has also been supporting the construction of a **huge solar plant in Maharashtra** with a capacity of 125 Megawatt which generates annual CO<sub>2</sub> savings of 155,000 tons.
  - After the appointment of new Chancellor of Germany in December 2021, India and Germany agreed that as major democracies and strategic partners, they will **step up their cooperation to tackle common challenges**, with climate change on top of the agenda.

- **Economic Cooperation - A Challenge:**
  - There is a problem of the **lack of a separate bilateral investment treaty** between the two countries. Germany has a **Bilateral Trade and Investment Agreement (BTIA)** with India via EU, it does not have the competence to negotiate it separately.
  - Also, Germany is particularly sceptical about India's trade liberalization measures, it bats for more liberal labour regulations.
- **Indo-Pacific Region - Significance:**
  - **The Indo-Pacific**, with India as its centrepiece, looms large in **Germany's and the European Union's foreign policy**.
  - The Indo-Pacific region is **home to around 65%** of the global population and **20 of the world's 33 megacities**.
  - The region accounts for 62% of global **Gross Domestic Product (GDP)** and 46% of the world's merchandise trade.
  - It is also the source of more than **half of all global carbon emissions** which makes the region's countries key partners in tackling global challenges such as climate change and sustainable energy production and consumption.
- **Germany and Indo-Pacific:**
  - Germany is determined to contribute to **buttressing the rules-based international order**.
  - Within the **German Indo-Pacific guidelines**, India is mentioned for the enhancement of engagement and fulfilment of objectives. India should now be an important node while discussing issues relating to international security.
  - India is a maritime powerhouse and a strong advocate for free and inclusive trade — and, therefore, a primary partner for Germany (eventually the EU) on this mission.

#### **What should be the Approach Moving Forward?**

- **Strengthening Indo-German Relations:**
  - Germany views India as an **important partner for resolving global issues, including climate change, food security, energy and international peace and security**.
  - Also, the new coalition government formed in Germany offers an opportunity for India to strengthen the strategic partnership between the two.
  - Germany is keen to **implement connectivity projects**, through the European Union, **to counter China**. The coalition sees the conclusion of an **India-EU BTIA** as an important aspect that will help develop relations.
- **Scope of Economic Cooperation:**
  - India and Germany must realise the cooperative goals of the **Intellectual Property** guidelines and must involve businesses.
  - German companies must be encouraged to use the **liberalised Performance Linked Incentive scheme to establish manufacturing hubs in India**.
  - Germany has committed 250 million euro in loans to Africa for a vaccine production facility, if implemented with India such a facility can be established in the underserved East African region.
- **Sharing Responsibilities in the Indo-Pacific Region:**
  - As much as India, Germany is a trading nation. More than **20% of German trade is conducted in the Indo-Pacific neighbourhood**.
    - This is why Germany and India share a responsibility to maintain and support stability, prosperity and freedom in this part of the world. Both India and Europe's key interests are at stake when championing a free and open Indo-Pacific.

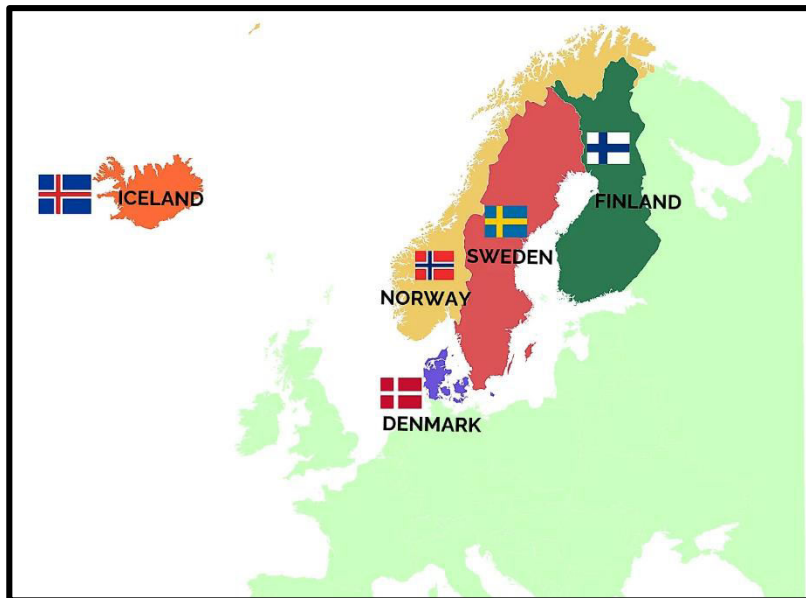
## 15. India – Nordic Relations:

Recently, the Prime Minister of India held a series of **bilateral meetings with his counterparts from Denmark, Norway, Sweden, Iceland and Finland.**

- At the meetings, a discussion was made regarding ways to further **deepen bilateral ties and views were exchanged on regional and global developments.**
- The meeting was organized on the sidelines of the **second India-Nordic Summit in the Danish capital, Copenhagen.**

### What is the Background of Second India-Nordic Summit?

- The **second edition** held against the backdrop of the **two most significant events that affected the world.**
  - One is **post-pandemic economic recovery**, and the other is the **ongoing war between Ukraine and Russia.**
- Besides **economy, trade and investment**, the summit can be seen from the perspective of the **concept of the welfare state** that goes along with **capitalism and democratic practices, blending the welfare model with the market economy.**
- India invited Nordic companies for **investing in the blue economy sector, especially in Sagarmala Project.**
  - India's **Arctic Policy** provides a good framework for expansion of India-Nordic cooperation in the Arctic region.
- The Nordic countries reiterated their **support for India's permanent membership of a reformed and expanded United Nation Security Council.**
- At the **inaugural edition of the summit in 2018**, the focus of the leadership was on **global security, economic growth, innovation and climate change while emphasizing innovation and digital transformation as a driver of growth.**
  - The first summit sought to explore an extension of the application to New Delhi's flagship programmers like **Make in India, Startup India, Digital India and Clean India**, besides the support of the **Nordic countries' Sustainable Cities Project to India's Smart Cities project.**
  - At the first summit, the Nordic countries welcomed India's application for membership in the **Nuclear Suppliers' Group.**



### What are the Highlights of the Meeting?

- **India-Denmark:** Discussed a wide range of issues of mutual interest to boost bilateral relations, including the war in Ukraine, the India-European Union (EU) free trade deal and the situation in the Indo-Pacific.
  - Agreed to further strengthen the **Green Strategic Partnership** with a focus on **green hydrogen, renewable energy and wastewater management.**
- **India-Norway:** Both leaders discussed the potential for deepening engagement in areas like Blue Economy, renewable energy, green hydrogen, solar and wind projects, green shipping, fisheries, water management, rainwater harvesting, space cooperation, long term Infrastructure investment, health and culture.
  - Indian PM asserted that Norway is a key pillar of India's recently announced **Arctic Policy.**
- **India-Sweden:** During the meeting, the two leaders took stock of the progress in the Joint Action Plan and appreciated the expanding scope of the jointly launched **Leadership Group on Industry Transition (LeadIT) initiative.**
  - This was an India-Sweden joint global initiative to set up a **Leadership Group on Industry Transition (LeadIT) in September 2019 at the UN Climate Action Summit** to help guide the world's heaviest greenhouse gas emitting industries toward a low-carbon economy.

- **During the 2018 visit of Prime Minister Modi to Sweden**, the two sides adopted a wide-ranging **Joint Action Plan** to take forward a wide range of initiatives in defense, trade and investment, renewable energy, smart cities, women's skill development, space and science and healthcare etc.
- **India-Iceland:** Both leaders discussed ways to further strengthen economic cooperation especially in the sectors of geothermal energy, Blue Economy, Arctic, renewable energy, fisheries, food processing, education including digital universities, and culture.
  - Discussions also took place on expediting the **India-European Free Trade Association (EFTA) trade negotiations**.
- **India-Finland:** Discussions were done regarding opportunities to expand cooperation in the fields of new and emerging technologies like **Artificial Intelligence, quantum computing**, future mobile technologies, clean technologies and smart grids.
  - Indian PM invited Finnish companies to partner with **Indian companies and take advantage of the enormous opportunities** that the Indian market presents, particularly in telecom infrastructure and digital transformations.

#### **What is the Significance of Nordic Countries for India?**

- India and Nordic countries enjoy robust business partnerships though the economics of these countries individually is much smaller than those of the **G20 countries**.
  - The combined GDP is over USD **1.6 trillion, with a per capita income of around USD 54,000**.
  - The total bilateral trade and services between India and the Nordic countries is **USD 13 billion**.
- **Areas of Cooperation:** The countries which have technological prowess and growing business ties will explore cooperation in **five areas of mutual interest**.
  - These include **green partnership, digital and innovation economy, trade and investment linkages, sustainable development**, and collaboration regarding the Arctic region.
  - Apart from the United States, **India is the only other country with which the Nordic countries have summit-level meetings**.



## 16. India and West Asia/Middle East relations:

- **C. Rajamohan:** After more than a half century of false starts and unrealized potential, India is now emerging as the swing state in the global balance of power. In the coming years, it will have an opportunity to shape outcomes on the most critical issues of the twenty-first century: the construction of Asian stability, the political modernization of the greater Middle East, and the management of globalization.
- **S. Jaishankar:** We share with the international community the objective that a multi polar world must have a multi polar Asia

India's foreign policy engagement in West Asia has been divided into two phases, **pre- and post-1991**. Prior to 1991, India had a "political distance" due to Cold War politics. Post-1991, India's engagement increased due to the end of the Cold War, disintegration of the Soviet Union, and growing demand for oil and gas.

### a. SIGNIFICANCE:

- **Energy Security:** India imports more than 80% of its oil requirement due to declining domestic crude production. **An Observer Research Foundation (ORF) April 2022 paper notes that the share of Gulf countries in India's crude oil imports has remained stable at 60% over the last 15 years.** In 2020-21, Iraq was the top oil exporter to India, followed by Saudi Arabia and the UAE, Kuwait and Oman.
- **Defence Cooperation:** Israel is seen as a model of counterterrorism, and India has strengthened strategic cooperation with Saudi Arabia and UAE to strengthen counter-terrorism cooperation.
- **Connectivity:** projects such as INSTC, Chabahar port in Iran can provide connectivity to India to west Asia as well as Eurasia.
- **Security:** Ensuring the stability and security of the Persian Gulf region, including the protection of the large Indian expatriate community.
- **Investments:** The UAE government has committed USD 75 billion to developing Indian infrastructure, while the NIIIF has entered into an agreement for investment up to USD 3 billion. Saudi Arabia is planning to launch a \$3 trillion sovereign wealth fund to invest in business opportunities abroad, making India an important economic destination for them.
- **Indian Diaspora:** Gulf is one of the strategically important regions where more than 8 million Indian diaspora community lives. One fourth of total Indian diaspora lives in this region. Security and wellbeing of Indian diaspora is an important pillar of India's West Asia policy.
- **Maritime Security:** Important sea lines of communications pass through the Persian Gulf. Thus, the region is critical to counter traditional and non-traditional security threats in Indian Ocean Region.
- **Economic Cooperation:** The region, which is home to approximately 89 lakh Indians, is also a major provider of jobs and economic opportunities for Indian workers, professionals, and entrepreneurs. Non-resident Indians (NRIs) send home approximately \$40 billion per year, accounting for more than 55% of total remittance inflows to the country.

### b. ISSUES:

- **Deteriorating Security Environment In West Asia:** Intensification of sectarian conflict, terrorism, civil wars in Yemen and Syria and the involvement of external actors can make India's traditional Balancing Policy difficult.
- **Security Of Indian Diaspora:** Saudi Vision 2030 aims to skill and employ more nationals, but stringent labour laws, lack of human rights, and lack of minimum wage provision lead to exploitation of Indian workers.
- **Delay In Projects Completion:** Indian companies operating in the UAE face issues due to commercial regulations, labor laws and lack of transparency.
  - **For example:** Iran withdraws India from the Chabahar rail project, citing funding delays.
- **Terrorist Financing:** Saudi Arabia is accused of funding Wahhabi Islamic groups, which are linked to radicalization and terrorist activities in Kashmir.
- **Rising Chinese Influence:** A China-Iran-Pakistan-Russia-Turkey axis could take shape in the near future and pose a serious national security challenge for India. China is already extending its activities in the Indian Ocean, so an alliance of five nations would encircle India and limit its outreach capabilities.
- **Impact on Energy security:** India imports more than 70% of the oil it needs. However, after the US strike which killed General Soleimani the oil prices rose by 4%. An increase in the price of oil can lead to an increase in the Current Account Deficit and erosion of forex reserves.

- **Pakistan factor:** Pakistan has close relations with many West Asian countries and especially with GCC countries

#### Way forward:

- **Leveraging India's Soft Power:** No other major power has India's level of people-to-people socio-cultural compatibility and socio-economic interaction with Gulf region countries, particularly GCC countries.
- **Strengthening Economic Relations:** India's engagement in West Asia must prioritize meeting commitments and strengthening its position as an economic and security partner. Priority should be given to the timely completion of projects and domestic business reforms in order to attract sovereign wealth funds from GCC countries.
  - Because of increased trade and business with South-East Asian countries, the Act East initiative was a success.
- **Continuation Of Balancing Policy:** India should not step on intensifying fault lines in middle east geopolitics. Traditional equidistance policy and maintaining cardinal relations with all powers has provided rich dividend in the past and this needs to be continued.
- **Independent Approach in the Region:** India should adopt a flexible policy to maximize regional cooperation with the great powers where our interest converges and minimize negative consequences when they diverge.
- **Leveraging Islamic Link:** Shared historical, cultural and religious heritage can be leveraged for strengthening economic and political relationships.
- **Defence Diplomacy:** Active engagement with defence forces of West Asian countries and joint defence production can improve India's profile in the Region. The recent visit by Army Chief to UAE is a good start.

#### c. INDIA'S WEST ASIA POLICY:

- **During Cold War:** India's policy on West Asia was shaped by the prevailing geostrategic environment and cold war bipolarity. **India adopted a policy of Non-Alignment and the major pillars of the relationship were Arab Socialism, Anti-colonialism and India's support for the Palestine cause.**
- **After the Cold War:**
  - **Post-cold war policy of national interest-oriented pragmatism:** Post-cold War, Ideology, protectionist economy, and Third World concerns were replaced by national interest-oriented pragmatism.
  - **Balancing Policy:** India abandoned defensive, reactive policy approaches and began to reach out to all West Asian countries on the basis of mutual benefit, enabling them to have cardinal relations without having to step on any fault lines.
  - **Look West policy:** India initiated the Look West policy in 2005 to focus on energy security, investment opportunities and the Indian diaspora. The G.C.C. countries have become India's leading oil and gas supplier and trade partner, with Indians being the largest expatriate group

#### d. PRESENT POLICY:

- **S. Jaishankar Doctrine:** We share with the international community the objective that a multi-polar world must have a multi-polar Asia.
- **Continuation of look west:** The present policy is a continuation of old look west policy. However, it is marked by the High Octane Diplomacy market by intensified security cooperation in the counter-terrorism and maritime domain, economic complementariness and policy based on enlightened self-interest.
- **Think West policy:** While introducing the 'Think West strategy,' then-foreign minister S. Jaishankar stated, "We are no longer content to be passive recipients of outcomes." He went on to say that India's historic "Act East" policy would be matched with "Think West."
- **Strategic agreements:** India has signed strategic agreements with UAE and Saudi Arabia.
- **Maritime security:** Apart from cooperation in counter-terrorism, maritime security has become an important pillar of India's West Asia policy.
- **Leveraging India's moderate profile:** India is not seen as a hostile power by either of the blocs. Even as the trade ties between Saudi Arabia and China keep thriving, there's a fair amount of strategic mistrust between them.
  - India has kept its equidistance from the Saudis, making it easier for New Delhi to deepen its partnership with the Gulf Arab countries. It has also maintained a distance from developments that Iran sees as hostile to its interests.
  - This balancing offers a pattern in India's engagement in the region, shaped not by hostility towards anyone, but by friendship with everybody moored in political realism.

India's policy towards West Asia has changed significantly since the Cold War. **Initially, Egypt, Palestine and Iraq were central to India's policy, but with time Iran, Saudi Arabia and Israel have become the key pillars of India's policy.** Initially, Egypt, Palestine and Iraq were central to India's policy, but with time Iran, Saudi Arabia and Israel have become the key pillars.

## 17. India – Iran relations:

The history of relations between India and Iran has been marked with significant engagements. Both nations shared their borders till 1947 and there are numerous similarities in their languages, cultures, and traditions.

Strong linkages exist between South Asia and the Persian Gulf in the areas of commerce, energy, culture, and interpersonal relations.

In keeping with the **“Asia-oriented”** foreign policy of the new Iranian Regime, **the Iranian Foreign Minister visited India and it was the first ministerial-level visit from Iran to reset ties with India since the new Government took control in 2021.**

Let's look at the challenges faced by both sides and how these issues can be resolved.

### What is Historical background?

- **India and Iran** share close **civilizational ties** since the times of the Persian Empire and Indian kingdoms.
- Iran is an important nation in India's neighborhood and in fact, the two countries shared a border until India's partition and independence in 1947.
- The **“Tehran Declaration”** signed during former Prime Minister Atal Bihari Vajpayee's visit to Iran affirmed the shared vision of the two countries for an **“equitable, pluralistic and co-operative international order”**.
- It recognized the then Iranian President Mohammad Khatami's vision of a **“dialogue among civilisations”** as a paradigm of international relations based on **principles of tolerance, pluralism and respect for diversity.**

### What is Strategic Importance?

- **For India:**
  - **Location:** Iran is located at strategic and crucial **geographical location** between the **Persian Gulf and the Caspian Sea.**
  - **Connectivity:** Iran is important to India as it provides an alternate **route of connectivity** to Afghanistan and Central Asian republics, in the absence of permission for India to use the land route through Pakistan.
  - **Natural Resources:** It sits on **one of the largest deposits of crude oil and natural gas** in the world.
- **For Iran:**

### Strategic location of India:

- Second largest populous country coupled with major economy and huge demographic dividend.
- It helps Iran to sell its oil to a large market, that's near to its geographical location, which eventually reduces its cost.
- **Improve Trade Ties:** It gives Iran access to the 5th largest economy to invest in and enhance trade relations. It will also give fillip to Iran's crippling economy.

### What are the Issues Between Indo-Iranian Ties?

- The stoppage of oil imports from Iran after May 2019 owing to **U.S. sanctions(CAATA)** following the revocation of the **Iran nuclear deal**, therefore, impacting India's energy security.
- India's close relations with Israel, and **Iran's ties with China**, including signing a **25-year strategic partnership agreement.**
- Iran-backed **Houthis** in Yemen launching drone attacks against Saudi Arabia and UAE, both are close partners of India,
- Iran's tough statement on the Indian government's abrogation of Article 370 of the Indian Constitution, gave special status to Kashmir.

### What are the Optimistic Conditions for Resetting Ties?

#### ▪ Areas of Convergence:

##### ○ Afghanistan:

- The Taliban government has largely been isolated since it took over Kabul in August 2021. **Iran was one of the few countries that did not withdraw its embassy from Kabul and has continued to keep its channels of communication open with the Taliban.**
- India is now keen to open back its embassy in Kabul and recently started negotiations with the Taliban.
- India and Iran have the potential to forge a common and effective policy of engagement with Afghanistan in the future.

##### ○ West Asia:

- There is rebalancing taking shape in the West Asian region this offers great potential to strengthen India-Iran ties.
- For a long time, **India's growing ties with the Gulf countries, especially Saudi Arabia and the UAE were seen as a "zero-sum game"** pitted against their rivalry with Iran.
- The UAE and Qatar recently held good talks with Iran. Iranian President has already visited Qatar and Oman this year.
- Syria and Iraq are slowly consolidating and are positively disposed toward Iran.
- The **Abraham Accords** signed with Israel give hope towards the acceptance of Israel by the regional countries as a potential partner and not necessarily a foe.
- All these developments work well for India, as it has close and good relations with the Gulf countries, Iran, and Israel.
- This gives **India the tremendous opportunity to develop and scale up its cooperation with Iran** without fear of losing out on other friends in the region.
- In fact, at some point in time, India may emerge as the perfect interlocutor in the region, as it has the trust and confidence of all stakeholders.

### What are the Advantages of Restructuring India-Iran relations?

- **Unlocking Bilateral Potential:** The bilateral ties could open doors to fully exploit the **potential of cooperation between India and Iran**. Which would ultimately lead to regional and global good.
- **Cheaper Crude Oil:** India may well consider restarting oil imports from Iran, Should India change course and resume imports of Iranian oil, it could potentially encourage some other countries to follow suit and open up additional oil in the market, which could eventually bring prices of crude oil down.
- **Connectivity with Eurasia:** The **International North-South Transport Corridor (INSTC)**, an ambitious project launched at the start of this century, aims to connect India, Iran, Afghanistan, Russia, Central Asia, and Europe through multi-modal transport, reducing the transit time of goods drastically.
  - Although some part of it has been operationalized, again, due to sanctions on Iran, its full potential has not been realized. India and Iran could well play a major part in giving INSTC the required boost to reap the benefits of resultant trade.
- **Energy Security:** The Iran-Oman-India gas pipeline (IOI) too is an ambitious project that has been stuck for a long time. Fortunately, Iran and Oman signed a deal during Raisi's recent visit, to develop two gas pipelines and an oil field along their maritime borders.
  - If this comes through, there is potential for the pipeline being extended to India, which would help overcome the loss of the failed **Iran-Pakistan-India (IPI) pipeline** and facilitate the supply of natural gas to India.

### What Could be the Way Forward?

- There is a need to look forward toward areas of convergence, where both countries have a mutual understanding of each other's common interests and further work together to achieve the same.
- India and Iran, therefore, have a lot that can be achieved together. The assertive diplomacy being practiced by India, emphasizing on standing by its neighbors and friends and focusing solely on fulfilling its national interests, is a refreshing change.
  - If India can extend the same vision toward its engagement with Iran, it could open a huge potential for cooperation between these two great nations and civilizations. Time is therefore ripe for a reset.

### a. PREVIOUS YEARS QUESTIONS:

Q. In what ways would the ongoing US - Iran Nuclear Pact controversy affect the national interest of India? How should India respond to this situation? (2018)

### New Group in West Asia:

Recently, the Kingdom of Saudi Arabia hosted a special meeting of the **National Security Advisers (NSAs)** of India, the US, and the UAE.

### What are the Key Highlights of the Meeting?

- The discussions aimed to strengthen relations and ties between the countries in a way that enhances growth and stability in the region.
- The meeting focused on regional initiatives on infrastructure.
- The meeting sought to advance their shared vision of a more secure and prosperous Middle East region interconnected with India and the world.
- Among the projects discussed, a plan to connect Gulf countries via a railway network and connect to India via shipping lanes from "two ports" in the region is highlighted.
  - This is meant to provide a counter to China's Belt and Road initiative and other inroads in the region.
- The idea for the initiative came up during talks held over the past 18 months by the I2U2.
  - The I2U2 Quad, works on connecting "South Asia to the Middle East to the United States in ways that advance economic technology and diplomacy".

## 18. India – Saudi Arabia relations:

India and Saudi Arabia have friendly and cordial relations that reflect their long-standing economic and sociocultural ties. High-level visits from both countries were made after the two countries established diplomatic relations in 1947.

### a. INDIA - SAUDI ARABIA COOPERATION:

Recently, the **Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles** visited Saudi Arabia to attend the Ministerial meeting of the **India-Saudi Arabia Strategic Partnership Council**.

### What are the Key Outcomes of the Meeting?

- Streamlining efforts to carry out the declaration of investments of **USD \$100 billion in India** made by Saudi Arabia in February 2019.
- Endorsement of the **41 areas of cooperation** identified by the technical teams under the **4 broad domains of:**
  - **Agriculture & Food Security**
  - **Energy**
  - **Technology & Information Technology**
  - **Industry & Infrastructure**
- A commitment to carrying out **important projects in a timely way**. The following are some of the priority areas for cooperation:
  - **Digital fintech sector cooperation** through the operationalization of **Unified Payments Interface (UPI)** and **Rupay Card** in the Kingdom of Saudi Arabia.



- Reiteration of **commitment to ongoing collaboration** on joint projects, such as the **construction of a refinery on the West Coast**, an investment in **Liquefied Natural Gas (LNG)** infrastructure, and the creation of strategic petroleum storage facilities in India.
- **Discussions were also held on:**
  - **Institutional tie-up of the EXIM banks** of the two countries,
  - **Mutual recognition of standards**,
  - Establishment of **startup and innovation bridge**,
  - Strengthening collaboration in **infrastructure development**, particularly in the **domains of construction**,
  - **Railways etc.**

#### **What is the India-Saudi Arabia Strategic Partnership Council?**

- The **Strategic Partnership Council** was instituted in **October, 2019** during the visit of the **Prime Minister of India to the Kingdom of Saudi Arabia**.
- **It has two main pillars:**
  - Political, Security, Social and Cultural Committee
  - Committee on Economy and Investments
- India is the **fourth country with which Saudi Arabia has formed such a strategic partnership**, after the UK, France and China.

#### **How has India's Relations with Saudi Arabia been?**

- **Oil & Gas:**
  - Saudi Arabia is currently **India's second-largest supplier of crude oil** (Iraq has been India's top supplier).
    - **India imports around 18% of its crude oil requirement** and around **22% of its Liquefied Petroleum Gas (LPG) requirement** from Saudi Arabia.
  - Saudi Arabia will assist in setting up the **world's largest greenfield refinery at Raigarh in Maharashtra** by Saudi Aramco, Adnoc of the United Arab Emirates and Indian public sector oil companies.
- **Bilateral Trade:**
  - Saudi Arabia is **India's fourth largest trade partner** (after the USA, China and UAE).
  - In FY 2021-22, bilateral trade was valued at **USD 42.8 billion**.
    - **India's imports from Saudi Arabia reached USD 34.01 billion** and **exports to Saudi Arabia were worth USD 8.76 billion**. An increase of **49.5% over 2021**.
    - Total trade with Saudi Arabia accounted for **4.14% of India's total trade in FY 2021-22**.
- **Indian Diaspora:**
  - The **2.6 million-strong Indian community in Saudi Arabia** is the largest expatriate community in the Kingdom and is the 'most preferred community' due to their expertise, sense of discipline, law-abiding and peace-loving nature.
- **Cultural Linkages:**
  - **Haj pilgrimage** is another important component of bilateral relations between India and Saudi Arabia.
- **Naval Exercise:**
  - In 2021, India and Saudi Arabia started their first-ever Naval joint exercise called the **Al-Mohed Al-Hindi Exercise**.

#### **Way Forward**

- India can utilize the **friendly relations with Saudi Arabia** by convincing the kingdom to exercise its **influence over Pakistan in controlling the Taliban in Afghanistan**.
  - A joint collaborative effort of both economies will transform the Southwest Asia sub-region.
- Currently, **India has a trade deficit of USD 25.25 billion** with Saudi Arabia. India should focus more upon **promoting exports in various sectors**. It would enable us to **maintain the trade balance with the kingdom** while building healthy trade relations.

#### **b. WEAKENING PAKISTAN-SAUDI ARABIA RELATIONS:**

- **Neutral stand on Article 370** and approach towards India in general and Jammu and Kashmir in particular.

#### **Why Change In Stand?**

- **Economic:** India is a major partner for Saudi Vision 2030.

- **Strategic Partnership:** India has diversified its relation with Saudi Arabia from Oil, tourism to Space technology.
- **Oil Diplomacy:** Saudi is one of the major oil importer to India post sanction on Iran.
- **Debt trap of Pakistan:** Poor Economic situation in Pakistan and its dependency on Saudi for bailout packages

#### c. ISSUES:

- **Saudi: Pakistan relations:** Saudi Arabia and Pakistan have a long history of cooperation in the fields of Wahhabism, oil, and financial credits.
- **Tax Hike:** Indian workers are being forced to send their families back home due to an enormous increase in the country's "expatriate dependent fee or family tax."
- **Nationalization program of Saudi:** The monarchy has actively carried out the "Nitaqat" nationalization program, which aims to replace foreign workers in industry with Saudi youngsters. Wages have decreased significantly.
- **Migrant conditions:** Migrant workers bear the brunt of Saudi's (and other Gulf countries) archaic Kafala system also.
- **Radicalisation:** Funding to Madrasas in Pakistan and other countries leading to radicalisation.
- **Iran Saudi relations:** It will be challenging for India to continue its usual Balanced strategy in the Middle East as tensions between Saudi Arabia and Iran rise.

## 19. India – UAE relations:

India and the UAE enjoy strong bonds of friendship based on age-old cultural, religious, and economic ties between the two nations. **The friendship flourished after Sheikh Zayed Bin Sultan assumed the throne in 1966 and, subsequently, with the creation of the UAE Federation in 1971**

#### a. AREAS OF COOPERATION:

##### Economic and Commercial Relation:

- **Economic Cooperation -CEPA:** Both countries signed a Comprehensive Economic Partnership Agreement (CEPA) in 2022.
  - The agreement aimed to boost bilateral commerce in products to over \$100 billion and services to over \$15 billion in next five years.
  - **Benefits:** The UAE offers preferential market access, and more than one million new employment for Indian workers will be created.
- **UAE is India's second-largest export market and third largest trading partner.**
- Over the past few years, UAE FDI in India has grown by over \$12 billion.

##### Energy Cooperation:

- **UAE is one of the largest crude oil suppliers** and provides over 18 million metric tonnes of crude oil.
- Transformed from **buyer-seller relation to the "Strategic Partnership"**.
- An agreement to store strategic crude oil at **Padur and Mangalore with the help of UAE.**

##### Technology partnerships:

- **Digital assistance:** Agreement for digital innovation, technology partnerships.
- **Partnership in Space Technology:** Future plan for ISRO and UAESA cooperation on missions like the Red Moon mission
- **Visa for technocrats:** The Emirates has offered "Golden visa" residency permits for Indian technical professionals.

##### Defence and Security Cooperation:

- India and the UAE's bilateral defense cooperation has been gradually expanding.
- In addition to holding yearly defence discussions, **India and the UAE formed a comprehensive strategic agreement in 2017.**
- UAE is an important player in the discussion of the Indian Ocean region.

##### Cultural Relations:



- The Hindi, Malayalam, and Tamil film industries enjoy strong viewership in the theatres of the UAE.
- **The Emirati population takes part in International Day of Yoga activities**, and there are numerous yoga and meditation schools operating in the UAE

#### b. CHALLENGES:

- **Trade and Commercial Issues:** Indian enterprises operating in the UAE have difficulties as a result of murky business rules, inconsistent labor laws, and a lack of transparency on the part of Emirati companies.
- **Arab - Iran Issues:** The UAE and Iran have territorial disputes over the **Tunbs and Abu Musa islands**. In the event of a regional crisis, India's energy security, trade, and connections with the diaspora would all suffer.
- **Kafala systems:** Unskilled Indian labourers are employed in the UAE under miserable conditions and are not given the same safeguards as other workers.
- **China's financing Policy:** China has vast funds and provides financing at extremely low interest rates, driving Indian businesses away.
- **Non Tariff Barriers:** There are many notifications for non-tariff measures (NTMs), including 53 notifications for technical trade barriers and 451 notifications for sanitary and phytosanitary measures. The UAE exports of India are hampered by these measures.

#### c. Abraham Accord:

- **The Abraham Accord**, which the United States mediated (in 2020), **established formal diplomatic ties between the United Arab Emirates and Israel**.
- **Bahrain, Sudan, and Morocco** later joined, and in return, Israel agreed to halt its plans to annexe portions of the occupied West Bank.
- As a result, the **UAE became the first country in the Gulf to establish diplomatic and economic ties with Israel**.
- **UAE joins Egypt and Jordan (1994) as the third Arab country to recognize Israel**.
- **According to the agreement:** The UAE and Bahrain would open embassies, exchange ambassadors, collaborate and engage with Israel in a variety of fields, such as healthcare, tourism, trade, and security.

#### Way forward:

- **Diversification of Cooperation areas:** The "Vision 2021" initiative aimed to diversify the country's economy and lessen its reliance on oil. **India could engage the UAE in emerging sectors like fintech, start-ups, and renewable energy**.
- **Resolve Issues of Non Tariff Barriers:** India-UAE must work to make NTB use more transparent and predictable in order to make compliance with them simpler. Information on labelling, licensing, permit requirements, import monitoring, and surveillance needs should be regularly shared.
- **Timely completion of Project:** To advance their relationship, the nations should concentrate on finishing their MOUs.
- **Elevation of Strategic Partnership:** They need to start having more strategic discussions, similar to the 2+2 discourse.
- **Reforms in Labours law:** India and the UAE should collaborate together to improve the Kafala system.

Both countries should come together to deepen their bilateral and multilateral interactions based on trust and confidence. The spirit of mutual sacrifice for the sake of achieving a common goal should be cultivated in future partnerships.

#### 24.5 Chabahar Port:

Recently, during the foreign ministerial meeting of the **Shanghai Cooperation Organisation (SCO)** meeting, India pushes for a greater role for **Chabahar Port** in increasing the connectivity in the region.

- India will be taking over the SCO presidency next year.

#### What other points Highlighted by India?

- On Afghanistan, highlighted that India extended humanitarian assistance to Afghanistan to help it fight **hunger and food insecurity**.
- Raised the problems of the **energy crisis** and **food crisis** arising from the **Ukraine conflict**.

- Highlighted the need to adopt zero tolerance policy towards **terrorism**.
- He also appreciated the entry of **Iran into the organization**.
  - Iran's inclusion will strengthen the SCO forum as now all the member nations will have the opportunity to use the facilities of the Chabahar Port in Iran.

### What is Chabahar Port?

#### ▪ About:

- The port of Chabahar is **located in southeastern Iran in the Gulf of Oman**.
- It is the **only Iranian port with direct access to the ocean**.
- It's located in the **Sistan-Balochistan province** on the energy-rich Iran's southern coast.
- The **Chabahar port is considered a gateway to golden opportunities for trade by India, Iran and Afghanistan** with central Asian countries.

#### ▪ Significance:

- No other international port has seen the level of involvement and enthusiasm from Chabahar as India.
- It will make way for **India to bypass Pakistan in transporting goods to Afghanistan using a sea-land route**.
  - At present, Pakistan does not allow India to transport its territory to Afghanistan.
- It would give momentum to the **International North-South Transport Corridor** of which both are initial signatories along with Russia.
  - Iran is the key gateway to this project.
  - It would counter the Chinese presence in the Arabian.



## 20. India – Central Asia relations:

Central Asia is located in the heart of Eurasia and forms part of India's extended neighbourhood.

Over a period of two millennia, trade, commerce, and people-to-people interactions have forged strong cultural ties between the two regions.

The beginning of close trade and cultural linkages can be traced to the Indus Valley civilisation

### a. HISTORICAL AND CULTURAL TIES:

- **Historical relations:** Since the third century B.C., relations between India and Central Asia have been strong. The present Central Asian region was governed by the Kushan Empire.
- **Cultural ties:** The Silk Road's trade and the growth of Buddhism led to historical economic ties and cultural exchanges.
- **Ancient Silk Road:** India and Central Asia have been connected by the Silk Road since ancient times, which has fostered philosophical and intellectual interchange.
- **Islam and Sufism:** The origins of the Mughals may be linked to Central Asia (Babur was from the Fergana Valley), and many notable individuals, such as **Al Buruni, Amir Khusro, and Sufi saints**, played important roles in spreading Islamic culture in India.

### b. AREA OF COOPERATION:

#### Trade and connectivity:

- **International North-South Transport Corridor (INSTC):** INSTC is a multi-mode network that will connect India with Iran, Afghanistan, Armenia, Azerbaijan, Russia, Central Asia, and Europe for the transportation of freight.

- **Ashgabat Agreement:** In order to facilitate the movement of commodities between Central Asia and the Persian Gulf, India, Iran, Kazakhstan, Oman, Turkmenistan, and Uzbekistan have entered into a multimodal transportation agreement.

#### **Defence and Security Cooperation:**

- **Issues of Afghanistan:** India and Central Asia have a shared interest in the stability of Afghanistan, hence cooperation in these areas is crucial.
- **Defence Exercise:** High-level interactions with Central Asian nations have been prominent like **'DUSTLIK' with Uzbekistan, "Khanjar" with Kyrgyzstan, and "Kazind" with Kazakhstan.**

#### **Cultural tie-up:**

- **People-to-People Interaction:** India's Connect Central Asia Policy has been distinguished by its emphasis on "people-to-people" interactions.
- **Learning centres:** For higher learning, many students from Central Asia travel to India, and vice versa.
- **Soft power:** People in Central Asia enjoy Indian movies and listen to Hindi music.

#### **Energy cooperation:**

- **One-stop energy resource centre:** India is trying to diversify its imports, and Central Asia has the potential to be a significant source. Kazakhstan generates 43% of the uranium in the world, Uranium, and gold reserves are found in Uzbekistan.
- **Deal with Uzbekistan:** In addition to helping to build liquid gas and oil facilities in Uzbekistan, India and Uzbekistan have signed agreements to jointly explore and develop Uzbek gas reserves.
- **Turkmenistan & India:** Turkmenistan is the fourth-largest gas reserve in the world, which is a less carbon-intensive fuel. The TAPI gas line with Turkmenistan is in progress.
- **Solar energy cooperation:** The Central Asian leaders showed interest in the Indian initiative of "One Sun, One World, One Grid"

#### **Cooperation in Health sector:**

- **Vaccine Diplomacy:** Recently, concluded summit focused on "extensive vaccination, vaccine supply, transfer of technology, development of local production capacities, promotion of supply chains for medical products, and ensuring price transparency."
- The Central Asian leaders' appreciation for the approach **"One Earth, One Health", presented by PM Modi.**

#### **c. CHABAHAR PORT: (discussed earlier).**

#### **d. IMPORTANCE OF REGION:**

- **Complex Geopolitics:**
  - **Global power intervention:** The complex geopolitical situation is the result of the interaction of both global and regional forces and their subsequent impact on the region.
  - **Taliban government:** The USA leaving from Afghanistan has brought changes in geopolitics and compelled these countries to revamp the policy.
  - **Rise of China:** China has made a prominent presence in the region through BRI-led infrastructure projects and financial aid.
- **Connectivity:**
  - **Connecting link:** CAR (Central Asian Region) provides a connecting link between West Asia, Eurasia and Indian Subcontinent. INSTC, Chahbahar Port can help to establish connectivity to Afghanistan and CAR.
- **Trade, Communication and Economy:**
  - The Silk Route was the connecting link which flourished the economic engagements between the regions.
  - **Mineral wealth:** The region is blessed with minerals like gold, iron, copper, and aluminium which can be imported for growing Indian demand.
  - **Digital Connectivity:** India is planning to establish a central Asian e-network linking all five nations and provide tele-education and telemedicine connectivity
  - **Trade Relations:** India has also acceded to the Customs Convention on International Transport of Goods under the cover of TIR and joined the Ashgabat Agreement.
- **Energy Security:**

- **Resources:** The region has large oil, natural gas and uranium reserves. It is important from the point of view of India's energy security.
- **Energy Diplomacy:** Slowly and steadily, India also took steps to get a share in the energy sectors of Turkmenistan and Uzbekistan. Even in Tajikistan and Kyrgyzstan, India got a stake over the years in the hydroelectric projects.
- **Ongoing Projects:** India is developing the TAPI pipeline with the help of Tajikistan, Afghanistan, Pakistan and India.
- **Security:**
  - **Peace and stability:** It is important for peace and stability for India because of increasing terrorism and its vicinity to Golden Crescent.
  - **Tackling terrorism:** Both Kazakhstan and Tajikistan signed agreements to fight against terrorism with India. SCO – RAT initiative helps member countries to fight extremism, terrorism and separatism.
- **Social & Health:**
  - **Social Capital:** To enhance people-to-people ties, India can provide assistance in augmenting the Social Capital. E.g. India can share experience in managing the local-self-government (Panchayat Raj system) with Central Asian countries where mahalla culture (local self-government) is widely prevalent.
  - **Healthcare services:** India can provide affordable healthcare services E.g. Ayurveda and Siddha.
- **Multilateral Cooperation:**
  - **Eurasian Economic Union:** It is an organisation for regional economic integration which provides free movement of goods, services and labour.
  - **Heart of Asia Conference:** It aims at ensuring peace, stability, security and prosperity in Afghanistan and nearby regions.
  - **Shanghai Cooperation Organization:** It aims at promoting cooperation in politics, economy, and technology and to ensure peace, security in the region.

#### e. India Central Asia Summit 2022:

- Recently, the **first India-Central Asia Summit was held**
- The summit was focused on the areas of defence and security, trade and connectivity, medical and healthcare, energy security, cultural ties and stable Afghanistan.
- The decision was taken to **establish the "India-Central Asia Centre" in New Delhi** to function as a Secretariat for the India-Central Asia biannual summit.
- **Proposal to create an "India-Central Asia Parliamentary Forum"** to enable robust deliberations between the legislatures of these countries.

#### f. CHALLENGES:

- **Geo-economics:** Interests of China and the US have altered the geopolitical narratives of Central Asia and competing India's interests. **The OBOR initiatives of China have increased the presence of China.**
  - India's trade with the region amounts less than US\$ 2 billion, due to constrained in connectivity and low economic engagement.
- **Connectivity:**
  - Hostility of Pakistan and Destabilised Afghanistan have closed the nearest land route to central Asia as well as insecure the reach via Chabahar port.
  - Sluggish development of INSTC projects has further stalled to enhance connectivity.
- **Security:**
  - Growing radical Taliban in Afghanistan, role of Pakistan, Saudi Arabia Turkey and Iran in spreading radicalisation in Central Asia.
  - Vicinity to Golden crescent and increasing terrorism is threat to peace and stability.
- **Geopolitics:**
  - The Geopolitical region is fragile as the China-Russian convergence, the adverse impact of the Syrian crisis pushing India away.
  - CAR have failed to associate as a strong regional group due to various internal conflicts over terrorism and ethnic issues preventing them to unite.

#### g. Conflict Between Nagorno – Karabakh:

- It is an **ethno-territorial conflict between Armenia and Azerbaijan over Nagorno Karabakh region.**
- The region is a territorial part of Azerbaijan however resided mostly by Armenian Christian people who have been demanding independent status from Muslim majority Azerbaijan.
- **Strategic Importance:** It is situated on the INSTC route and is an important link between India and the Eurasian region

## 21. India – Qatar relations:

Recently, India's External Affairs Minister met the top leaders of Qatar and discussed **strengthening the economic and security cooperation** between the two countries.

- The visit is **part of India's ongoing outreach to West Asia**, which the country sees as part of its extended neighbourhood.
- Qatar is a member of the **Gulf Cooperation Council.**

#### Key Points

- **India and Qatar** agreed to maintain **regular consultations and coordination** on all issues of mutual interest at multilateral fora.
  - Issues of mutual interest include energy, power, petrochemicals, investments, infrastructure, development, project exports and education.
    - Discussed ways to strengthen the multifaceted bilateral relationship in areas such as **energy, trade, investment, food processing, healthcare, education, culture, defence and security.**
  - Bilateral trade was worth **USD 10.95 billion in 2019-20.**
- India **thanked** Qatar for **taking care** of people from the **Indian community** during the **Covid-19 pandemic.**
  - India and Qatar have maintained close **high-level contacts** during the pandemic.
- India appreciated **Qatari Businessmen Association's** commitment for business partnerships with India and briefed them about new opportunities flowing from **Atmanirbhar Bharat.**
- Qatar's leader **appreciated the contribution of the Indian community** in Qatar and recalled his visits to India.
- **Recent Developments:**
  - Both the countries have decided to set up a **special task force** to facilitate investments by the **Qatar Investment Authority**, part of India's ongoing outreach to key West Asian states to overcome the economic impact of the **Covid-19 pandemic.**
  - The two sides have agreed on **institutionalising measures to promote and protect the rights of workers**, including settling labour issues and facilitating the movement of people between the two countries in a safe and secure manner.

#### India-Qatar Relation

- **Economic Relations:**
  - **Trade volume:**
    - The last few years witnessed a palpable **decline in the trade volume** between the two countries due to the **decline in the rates of gas and oil** in the international market.
    - **India** is considered to be the **fourth largest export destination for the State of Qatar.**
    - Both India and Qatar also have a **good relation in the banking sector.**
  - **Exports:**
    - **Qatar's key exports to India** include LNG, LPG, chemicals and petrochemicals, plastics, and aluminium articles.
    - **India's key exports to Qatar** include cereals, copper articles, iron and steel articles, vegetables, plastic products, construction material, textiles & garments, etc.
- **Cooperation in the Field of Energy:**
  - Qatar is the **largest supplier of liquefied natural gas (LNG) to India.**
  - India **imports around 70%** of its needs for the **natural gas from Qatar.**

- **Defence:**
  - India's defence cooperation with Qatar has so far been limited to training, participation in each other's conferences/events and visits by ships of Indian Navy and Coast Guard.
  - **Za'ir-Al-Bahr** (Roar of the Sea) is the **naval exercise** between Indian and Qatar Navy.
- **Cultural Relations:**
  - **Cultural exchange:**
    - There is a regular flow of Indian artists performing in Qatar at events organised by community organizations affiliated to the **Indian Cultural Centre (ICC)**.
    - **ICC** is an **apex body of associations of the Indian community** functioning under the aegis of Embassy of India, Doha, and private sponsors.
  - **Yoga:**
    - India **appreciated** Qatar's support, as a co-sponsor, to its Resolution at the **United Nations General Assembly**, adopted unanimously with a record 177 co-sponsors, declaring **21 June as the International Day of Yoga (IDY)**.
  - **Education:**
    - There are **14 Indian schools in Qatar**, offering CBSE curricula to over 30,000 students, most of whom are the children of Indian nationals working in Qatar.
- **Indian Community:**
  - Indian community is the **largest expatriate group** in Qatar which is estimated to be around **700 million people**.
  - They are making their **contribution in different sectors**. Indians are **highly respected** in Qatar for their **sincerity, hard work, technical expertise and law-abiding nature**.
  - Indians are **employed in almost every local establishment, governmental or private, in various capacities**.
  - **Remittances:**
    - The remittances which the Indian expatriate community in Qatar send to India are **estimated to be around 750 million dollar per annum**.

#### Way Forward

- **Qatar** wants to make investment in India in the domain of the infrastructure which includes roads, highways, **economic corridors**, airports, ports, tourism and hotels apart from the projects related to **gas and fertilizers**.
- **India** is looking forward to the direct investment in the **manufacturing and production of the liquefied natural gas** and in **chemical industries**, especially the industry of **fertilizers, urea, petrochemicals**.

## 22. India – Israel relations:

India's de-hyphenation policy in West Asia has been instrumental in sustaining bilateral ties with Israel. **India and Israel celebrated the 30th anniversary of full diplomatic ties in 2022.**

**India recognized Israel in 1950 and allowed an Israeli consulate to operate in Mumbai**, but due to its backing of anti-colonial movements and its close ties to Arab nations, it did not establish full diplomatic relations with Israel until 1992.

#### a. AREAS OF COOPERATION:

- **Trade & Investment:**
  - **India is the third largest trade partner of Israel in Asia and the seventh largest globally.**
  - Since the Covid-19 pandemic, trade between India and Israel has surged from USD 5 billion to around USD 7.5 billion until January 2023. A little over 50% of bilateral trade is in diamonds.
  - Israeli enterprises have made investments in India in the areas of **energy, renewable energy, communications, real estate, and water technology**.
  - They also prioritize the establishment of R&D facilities or manufacturing facilities.
- **Cultural and education:**

- India is known in Israel as an **ancient nation with strong cultural traditions**. Young Israelis perceives India as an attractive, alternative tourist destination.
- Signed a cultural agreement that outlines a three-year programme of cooperation in 2020 to further strengthen their strategic bilateral relations by promoting greater people-to-people exchanges.
- **Security relation:**
  - Joint Working Group on Counter-Terrorism.
  - In February 2014, India and Israel signed three important agreements on **Mutual Legal Assistance in Criminal Matters, Cooperation in Homeland Security, and Protection of Classified Material**.
- **Defence Cooperation:**
  - **Largest buyer:** Israel's annual weaponry shipments to India, which make up approximately 40% of its total imports, are among the highest in the world.
  - **Israeli weaponry system:** the Indian armed forces has been incorporated weapons system of Israel ranging from **Barak anti-missile defence systems and Spyder quick-reaction anti-aircraft missile systems to Phalcon AWACS** (Airborne Warning And Control Systems) and Heron, Searcher-II, and Harop drones.
  - **Strategic partnership:** The two countries have elevated their ties to a strategic partnership, such as BECA (Basic Exchange and Cooperation Agreement) with the USA.
  - **Increased ambit:** The ambit of India-Israel defence cooperation has widened to include other domains like **space, counter-terrorism, and cyber security**; however, the cornerstone remains Israeli arms sales to India.
  - **Increased FDI:** The government has increased the limit for FDI in defence through the automatic route from 49% to 74%.
- **Agriculture:**
  - **Agriculture Cooperation:** A three-year work program agreement for collaboration in agricultural development was signed in May 2021. **The program intends to strengthen already-established Centers of Excellence (CoE) and promote partnerships and businesses in the private sector.**
  - **Technology and Expertise:** Israeli technology and experience have assisted India, in the areas of **horticulture mechanization, protected cultivation, orchard and canopy management, micro-irrigation, and post-harvest management.**
  - **Dairy farming:** Israeli businesses and specialists are helping to manage and advance the Dairy industry in India by using expertise of maximizing milk yield.
  - **Indo-Israel Villages of Excellence:** It has the ambition to implement a comprehensive value chain strategy based on the spread of Israeli breakthrough technology and methodology that is adapted to regional needs. It will comprise modern agriculture infrastructure, capacity building, and market linkage.
- **Science & technology and innovations:**
  - **Cooperation in S&T:** It is overseen by the Joint Committee on S&T, established under the S&T Cooperation Agreement signed in 1993.
  - **I4F:** An MoU for establishing the India-Israel Industrial R&D and Innovation Fund (I4F) was signed in 2017.
  - **Collaboration in research:** A five-year \$50 million academic research agreement for promoting collaborative research across a wide range of disciplines, including medical and information technology, social and life sciences, humanities, and the arts was signed

#### **b. NEW QUAD: (I2U2)**

Recently, the **Foreign Ministers of India, the US, Israel and the UAE** concluded a virtual meeting. The meeting is a strong **manifestation of the changes in West Asian geopolitics** and formation of **another Quad like grouping in the Middle East**.

- **India's involvement** in this new grouping **reflects a shift in its foreign policy.**

#### **Key Points**

- **Factors Responsible for New Grouping:**
  - **Abraham Accord:** The new grouping is possible after the resumption of formal diplomatic relations between Israel and the UAE, through the **Abraham Accord**.
  - **Tackling Turkey's Regional Dominance:** The new Quad can be termed as a result of converging interests between India, the UAE, and Israel amidst Turkish president Recep Tayyip Erdogan's assertive claims for the leadership of the Islamic world.



- **US Pivot to Asia:** The US is clearly seeking to lessen its footprint in the Middle East as part of its pivot to East Asia to tackle China's rise, which is redrawing West Asia's traditional equations.
  - In order to contain rising China's assertiveness, the US under its 'pivot to Asia policy' has launched **Quad initiative, Indo pacific narrative.**
- **Significance for India:**
  - **Shift Towards a Regional Approach:** The four-nation meeting suggests India is now ready to move from bilateral relations conducted in separate silos **towards an integrated regional policy.**
  - **India's Westward Shift:** Much in the manner that the **"Indo-Pacific"** has transformed the way India thinks about the east, the notion of a **"Greater Middle East"** can provide a huge fillip to India's engagement with the extended neighbourhood to the west.
  - **Tackling Pakistan:** Further, the new grouping is also driven by **Pakistan's growing alignment with Turkey** and its alienation from its traditionally strong supporters in the Arab Gulf - the UAE and Saudi Arabia.
  - **Deepening Relations:** Over the years, India has built vibrant bilateral ties with all the countries in the new grouping.
    - It is a member of the Quad with the US, Australia and Japan, which have common concerns and shared interests in East Asia.
    - **Israel is one of India's top defence suppliers.**
    - The UAE is vital for India's energy security and hosts millions of Indian workers.

#### Way Forward

- **Too Early to Call:** While it is too early to speak of the strategic significance of such a grouping, there are areas where it can deepen its engagement - trade, energy ties, fighting climate change and enhancing maritime security.
- **Keeping Distance from Regional Rivalries:** India should be careful not to get sucked into the many conflicts of West Asia that could intensify amid growing regional rivalries.
- **Engaging With Iran:** India is facing deepening insecurities in continental Asia after the **American withdrawal from Afghanistan.**
  - So the challenge before India is to retain a **healthy relationship with Iran** even as it seeks to build a stronger regional partnership with the US-Israel-UAE bloc.

#### c. INDIA'S POSITION ON PALESTINE:

- **Supported Palestine throughout Cold war:** India remained a strong supporter of Palestinian freedom, taking a moral and legal position against the Israeli occupation, in line with international laws and norms.
- **Full diplomatic relations:** India maintains diplomatic relations with Palestine along with Israel.
- **India's support to Palestine:** India has maintained that two-state solution to equal sovereign rights is the way forward to resolve the century old crisis.
- **Opposition to unilateral changes:** India has also urged both sides to "refrain from attempts to unilaterally change the existing status quo.
- **India abstained from voting:** India abstained from voting on the resolution of UN Human Rights Council, which is aimed at securing Israel's compliance with international human rights.
- **Support to just Palestinian cause:** India also dropped its traditional reference to support for the "just Palestinian cause" in at least three recent statements at the UN Security Council, General Assembly and Human Rights Council.
- **Two-state solution:** The statements, however, retained the usual reference to a two-state solution to be achieved through direct negotiations to ensure lasting peace between the people of Israel and Palestine.

#### Reason to change the stand of India:

- **Changes in geopolitics-**India turned toward the United States and Europe after the end of the Cold War and has since grown to be a significant ally of Israel.
- **Pragmatic and realistic foreign policy-** In recent years, pragmatism and 'enlightened self-interest' have replaced the idealistic and optimistic non-alignment.
- **De-hyphenation:** Improved relations with Israel and de-hyphenation of Israel – Palestine policy.

- **Abraham Accord:** Improved relations between Israel and GCC countries after the Abraham Accord.

#### Way Forward:

- **Strengthening cooperation:** There has been cooperation in areas such as biotechnology, renewable energy and agritech etc
- **Palestine issue:** India should continue its moral stance on the issue to uphold human rights.
- **Utilizing India's soft power:** The Indian model of democracy and secularism, which accommodates religious, ethnic, linguistic and other diversities, could be a viable model for the peaceful coexistence of formerly antagonistic groups.
- **Balanced Policy:** Maintaining balanced policy based on 'enlightened self-interest', in the context of emergence of china-Iran-Russia vs Saudi-Israel-USA axis

#### d. PREVIOUS YEARS QUESTIONS:

1. How will I2U2 (India, Israel, UAE and USA) grouping transform India's position in global politics? (2022)

#### Abraham Accords:

The **Abraham Accord** between **Israel, the United Arab Emirates and Bahrain** is mediated by the USA. It is the **first Arab-Israeli peace deal in 26 years.**

#### Key Points

- **Previous Agreements:** There were the **only two peace deals** between Israel and the Arab States in more than a quarter of a century.
  - Egypt was the first Arab State to sign a peace deal with Israel in 1979.
  - Jordan signed a peace pact in 1994.
- **The Agreement:**
  - As per the agreements, the UAE and Bahrain will establish:
    - Embassies and exchange ambassadors.
    - Working together with Israel across a range of sectors, including tourism, trade, healthcare and security.
  - The Abraham Accords also open the door for Muslims around the world to visit the historic sites in Israel and to peacefully pray at Al-Aqsa Mosque in Jerusalem, the **third holiest site in Islam.**
    - In the Islamic tradition, **the Kaaba in Mecca** is considered the holiest site, followed by **the Prophet's Mosque** in Medina, and **Al-Aqsa Mosque** in Jerusalem.
- **Reason:** Bringing Israel, the UAE and Bahrain together reflects their shared concern about **Iran's rising influence** in the region and development of ballistic missiles. Iran has been critical of both deals.

#### Arab-Israel Relation

- Since Israeli independence in 1948, it has fought several wars with Arab neighbouring countries.
- The persecuted Jews saw Israel as their promised home while Arabs saw it as an occupation.
- **Significance of the Accord:**
  - The agreement shows how the Arab countries are gradually **decoupling themselves from the Palestine question.**
    - Palestine was among former Ottoman territories placed under UK administration by the League of Nations in 1922. All of these territories eventually became fully independent States, except Palestine.
  - **Full diplomatic ties** will be established between Israel, the United Arab Emirates and Bahrain which will have a positive impact on the entire region.
  - The deal buys UAE a lot of **goodwill in the US**, where its image has been tarnished by its involvement in the **Yemen war.**
  - **In South Asia, it will put Pakistan in a bind**, whether to follow UAE's steps (will be seen as giving up Islamic cause of Palestine) or not to follow the UAE (since it is already in feud with the Saudis over not taking up the Kashmir case, Pakistan cannot afford another hostile Islamic Country).
  - In the upcoming presidential election in the USA, the accord could help shore up support among pro-Israel Christian evangelical voters, an important part of current President's political base.
- **More Deals:**
  - Other gulf states in the region like Oman could follow suit and sign similar agreements with Israel

- One of the biggest Gulf Arab powers, Saudi Arabia could follow the suit as well.

▪ **Concern:**

- The Palestinians have not embraced the USA's vision. 86% of Palestinians believe the normalization agreement with the UAE serves only Israel's interests and not their own.
  - There is a possibility that the Palestine quest is further ignored.
- Shia-Sunni rifts in the region may get wide and violent.
  - Saudi Arabia (Sunni) and Iran (representing Shia) have a long history of enmity. For decades, one of the main sources of instability in West Asia has been the cold war between Saudi Arabia and Iran.
  - The Sunni-Shiite schism may also provoke violence between Muslims in such places as Pakistan, Nigeria and Indonesia.

▪ **Indian Interest in West Asia:**

- **Geopolitical:** West Asia occupies an important position in international relations due to its geographical location and proximity to continents and countries South Asia, China, Central Asia, Europe, and Africa.
- **Energy:** The region is strategically significant due to its enormous energy resources, trade route links to different parts of the world.
  - It is the world's largest oil-producing region accounting for 34% of world production, 45% of crude oil exports and 48% of oil proven reserves.
- **Diaspora:** Indian expatriates have constituted a substantial share of the regional labour market.
  - **Remittances from the region** constitute a major chunk of total remittances to India.



▪ **Opportunity for India:**

- **Defence and Security:** India should use this unexpected opportunity to give itself a **bigger role** in a region which is its strategic backyard. The first step should be to **ramp up defence and security relations with UAE**.
  - Israel is already a very close defence partner.
- While some work has already happened, India should **leverage its economy for a bigger opening in this region**. Importantly, India can use its good offices to ensure that any future deal on a regional security framework gives adequate space to Iran, which may be weak but not so weak that it cannot be a hugely disruptive power if it so chooses.

**Way Forward**

- A balance between Shia and Sunni, between Persian and Arab, is key to any sustainable peace.
- The US may be a pre-eminent power in the Middle East, but Russia has made a space for itself, spending a lot less money. In recent years, China has indicated its willingness to play a larger role in this region, and is close to both UAE and Israel and, increasingly, Saudi Arabia.
  - India should make its moves before this market and this extended neighbourhood come under the Chinese sphere of influence.
- A deal that could, if played right, open the doors for a changed geopolitical arrangement in the Middle East should have a stronger Indian footprint.

**Other important developments in West Asia:**

India and the **Gulf Cooperation Council (GCC)** have agreed to pursue a **Free Trade Agreement**



### **(FTA) between the two regions and resume the negotiations.**

- GCC is a **union of six countries in the Gulf region** — Saudi Arabia, the UAE, Qatar, Kuwait, Oman and Bahrain. The council is the largest trading bloc of India.

### **Why is the Gulf Region Crucial for India?**

- India has enjoyed centuries of good relations with countries like Iran, while smaller gas-rich nation Qatar is one of India's closest allies in the region.
- India shares good relations with most of the countries in the Gulf.
- The two most important reasons for the **relationship are oil and gas, and trade.**
  - Qatar accounts for **41% of India's total natural gas imports.**
- Two additional reasons are the **huge number of Indians who work in the Gulf countries**, and the remittance they send back home.
  - As per a research paper published by the **Reserve Bank of India**, in the financial year 2020-21, remittances from the UAE to India were USD15.40 billion, which is 18% of India's total inward remittances.

### **What is the State of the India-GCC Trade Relationship?**

- India's exports to the GCC member countries **grew by 58.26% to about USD 44 billion** in 2021-22 against USD 27.8 billion in 2020-21.
- **Bilateral trade in goods has increased to USD 154.73 billion** in 2021-22 from USD 87.4 billion in 2020-21.
- **Services trade between the two regions was valued at around USD 14 billion** in 2021-22, with exports aggregated at USD 5.5 billion and imports at USD 8.3 billion.
- **GCC countries contribute almost 35% of India's oil imports** and 70% of its gas imports.
- **India's overall crude oil imports from the GCC in 2021-22** were about USD 48 billion, while LNG and LPG imports in 2021-22 stood at about USD 21 billion.

### **Way Forward**

- The Gulf region has historical, political, economic, strategic and cultural significance for India. India-GCC Free Trade Agreement (FTA) can provide a boost to the relations.
- Presently, the **GCC region is volatile**, thus, India needs to safeguard its large economic, political and demographic stakes in the region.

## 23. India – Africa relations:

“India and South Africa are two countries held so closely by bonds of sentiment, common values, and shared experience, by the affinity of cultures and traditions and by geography”. – **Nelson Mandela**

The **India-Africa partnership is rooted in historical connections, solidarity, and a shared vision for a prosperous and inclusive future**. Over the years, both India and African countries have actively engaged in various areas, including trade, investment, capacity-building, infrastructure development, healthcare, education, and cultural exchanges, to strengthen their bilateral ties and foster mutual growth and development.

- India's trade volume with Africa for the year 2021–22 is significant, totalling US\$ 89.5 billion.
- **India and SADC (Southern African Development Community):** Founded in the year 1980. There are 16 nations in this group. 35.4 percent of Africa's total land area, 28.4 percent of its total GDP, and 28.2 percent of its population are all accounted for by these countries.
- **India and SADC have a solid and close relationship.** In the middle of 2021, the two had total trade of \$30.8 billion USD. Additionally, during the past 26 years, India has invested US\$ 69.9 billion in the SADC.

### a. WHY IS THE AFRICAN CONTINENT IMPORTANT:

- **Demography of Africa:** Africa's large working-age population, its growing middle class, and the significant share of services are all ingredients for value adding trade and investment relationships.
- **Opportunity to Invest in Africa:** Consumer-driven goods related to agribusiness, apparel and clothing, pharmaceuticals, and automotive components are opportunities for India's foreign direct investment (FDI).
- **Medical Tourism:** The number of African tourists visiting the country for medical treatment has increased almost threefold in the last decade, from 5.4 percent of the total tourist visits in 2010 to 15.4 percent in 2019.
- **India as Educational Hub:** More than 25,000 African students are currently enrolled in various universities all around India, as per the Association for African Students in India.
- **Natural Resources:** The continent is enriched in mines and minerals such as diamonds, gold, platinum, and a variety of other forestry products abound in the continent, which is vital to the rest of the globe.

### b. TECHNICAL AND ECONOMIC COOPERATION (ITEC):

- The Technical and Economic Cooperation (ITEC) project has been crucial in developing Africa's skills.
- ITEC, which was established in 1964, has played a significant role in India-Africa collaboration.
- In 2019, India introduced the first e-ITEC pilot programme for two African countries.
- Since the start of the pandemic, the e-ITEC has gained new prominence as the new standard.
- To address the demands of a changing time, new and innovative courses, such as big data analytics, urban infrastructure management, WTO-related issues, and solar technology, were organically launched.

### c. AREA OF COOPERATION BETWEEN INDIA-AFRICA:

#### Political Cooperation

- India and Africa have often held common positions in global platforms and worked together to guard the interests of other developing countries
  - They have moved joint proposals, such as the **Agricultural Framework Proposal and Protection of Geographical Indications**, at the World Trade Organisation (WTO) and World Intellectual Property Organisation, and have worked towards **protecting the food and livelihood concerns** of farmers at the **Doha Development Round of WTO negotiations**
  - The '**Framework for Strategic Cooperation**,' the outcome document of the Third India-Africa Forum Summit, also mentions that India and Africa will “enhance cooperation through training and collective negotiations on global trade issues, including at the WTO to protect and promote the legitimate interests of developing countries, especially the LDCs [least developed countries]”

#### Did you know?

- The **India–Africa Forum Summit (IAFS)** is the official platform for the African-Indian relations
- It is held once in every three years beginning from 2008
  - Currently, India and South Africa are also currently pressing for a waiver of certain provisions of the Trade Related Intellectual Property Rights for COVID-19 treatment and vaccines

### Economic relation

- The India-Africa **bilateral trade** has been growing steadily, year-on-year, with the trade volume touching US\$ 55.9 billion in 2020-21.
- India is the **fifth largest investor in Africa** with cumulative investments of US\$ 54 billion
- The scale of India's development cooperation with Africa has also grown rapidly
  - From 2003 onwards, India began to use **concessional lines of credit (LoC)** as one of its key development partnership instruments to fund the construction of railway lines, electrification and irrigation projects, farm mechanisation projects, among others
  - The LoCs are demand-driven and extended on the principle of mutual benefit — recipient countries make development gains, while the LoCs help create new markets for Indian companies, foster export growth, build good relations with countries that are important sources of food, energy and resources, and contribute to the country's image abroad.
  - So far, India has sanctioned 182 LoC projects in Africa through the **Export Import (EXIM) Bank of India**, with a total credit commitment of about US\$ 10.5 billion
- Recently, The **AfCFTA (African Continental Free Trade Area) was launched**
  - AfCFTA is the biggest free trade agreement in the World since the World Trade Organization was created in the 1990s.
  - When implemented, the AfCFTA is on a mission to increase intra-African trade by 52.3%

### Development Cooperation

- Although India was poor and underdeveloped after two centuries of colonial exploitation, it launched systematic efforts to promote African development soon after its independence
- **The Indian Technical and Economic Cooperation (ITEC)** programme, launched in 1964 to share India's lessons in development with other developing countries, continues to remain an important pillar of Indian development cooperation programme.
  - Currently, about 98 Indian institutions run training courses in fields such as agriculture, food and fertiliser, engineering and technology, and environment and climate change
  - In addition to civilian training programmes, ITEC also conducts and oversees defence training programmes, study tours, aid for disaster relief, the deputation of Indian experts abroad and project-based cooperation
  - Africa is a key beneficiary of the programme with nearly 50% of the ITEC slots reserved for countries from the region
- India-Africa cooperation has also focused on **techno-economic capacity building**
  - Skill development and capacity building featured prominently in all the India-Africa Forum Summits
- India has also unveiled the Vision Document of the **Asian Africa Growth Corridor** which is jointly prepared by Indian and Japanese think tanks
  - The corridor will focus on Developing Cooperation Projects, Quality Infrastructure and Institutional Connectivity, skill enhancement, and People-to-People Partnership
  - India postulates that its partnership with Africa is an amalgam of development priorities in keeping with the African Union's long term plan and the Africa Agenda 2063, as well as India's development objectives

### Information Technology

- This is an important pillar of India's technical cooperation with Africa, given the role of the information and communication technology (ICT) sector in India's growth story and the importance most African leaders attach to ICT sector development
- **The Pan African e-Network**, launched in 2009, was a ground breaking initiative to extend Indian expertise in IT to provide better healthcare and education facilities in 53 African countries
  - India has invested \$100 million in the Pan-African E-Network to bridge the digital divide in Africa, leveraging its strengths in information technology
  - The second phase of this programme, **e-VidyaBharti and e-ArogyaBharti (e-VBAB)**, was started in 2018, with an aim to provide free tele-education to 4,000 African students each year for five years and continuing medical education for 1000 African doctors, paramedical staff, and nurses
- Further, multiple successful digital tech-driven companies have managed to gain a strong foothold in the region as well.

- Recently, after the Nigerian government banned Twitter, an Indian micro blogging network **start-up – Koo** – managed to gain significant following and an active user base in that nation

### Security

- India has actively contributed to the efforts to maintain peace and security in Africa through its long involvement in **UN peacekeeping efforts**
- In the past India has offered to train African security personnel at the various defence training academies within India and has also been involved in training and infrastructure development in countries such as Ethiopia, Nigeria, Mauritius, Zambia, Ghana, Sudan, Botswana, South Africa, Tanzania, Egypt and Lesotho
- In the last few years the Indian navy has been undertaking **constabulary duties** in the Gulf of Aden, where it has successfully escorted over 2,400 vessels
- It has also pledged support to **African Union Mission in Somalia** and the **African led mission in Mali**

### Climate Change

- Nearly half of all member countries in the **International Solar Alliance**, initiated by India, are from Africa
- India has announced an LoC worth US\$ 2 billion to Africa over five years for the implementation of **off-grid solar energy projects** and is working to develop solar power systems across the Sahel region to provide electricity to approximately half of the 600 million Africans who are currently off-grid

### Cultural Cooperation

- India's scholarship programme also grew rapidly.
  - At the third India-Africa Forum Summit in 2015, India pledged to provide 50,000 scholarships to African students over a five-year period and set up institutions of higher learning in Africa.
  - Over 42,000 scholarship slots have already been utilised in the last five years
- In 2018, India's Ministry of Human Resource and Development launched the '**Study in India**' initiative to attract students from neighbouring and African countries

### COVID-19 Cooperation

- During the COVID-19 pandemic, India has provided 270 metric tonnes of food aid (155 metric tonnes of wheat flour, 65 metric tonnes of rice, and 50 metric tonnes of sugar) to Sudan, South Sudan, Djibouti and Eritrea
- Also, Under India's landmark '**Vaccine Maitri**' initiative, India gifted 150 metric tonnes of medical supplies to 25 African countries
- The Indian government also organised an **e-ITEC training course** for healthcare professionals on COVID-19 prevention and management protocols

### d. CHINESE ENGAGEMENTS IN AFRICA:

Chinese engagements in Africa have increased significantly over the past few decades, with China becoming one of the largest trading partners and investors in the continent. While China's presence in Africa has brought certain benefits, it has also raised concerns for India. Some of the causes of concern for India regarding Chinese engagements in Africa include:

- **Economic Competition:** China's economic presence in Africa has intensified competition for markets and resources. Chinese companies, backed by state support, often secure infrastructure projects and investments, potentially overshadowing Indian businesses in the region.
- **Debt Sustainability:** China's financing of infrastructure projects in Africa, often through loans, has raised concerns about debt sustainability for African countries.
- **Geopolitical Influence:** Chinese military presence, access to naval bases, and involvement in peacekeeping operations in Africa have implications for regional security dynamics and India's strategic partnerships with African countries.
- **Natural Resource Acquisition:** China's appetite for Africa's natural resources, such as oil, minerals, and timber, has led to concerns about resource exploitation and environmental degradation.
- **Impact on African Manufacturing:** China's exports of low-cost manufactured goods to Africa have had an impact on local African industries, including those in which India has economic interests.



- **Human Rights and Governance Concerns:** Chinese investments and aid are often not conditional on improvements in governance, human rights, or environmental standards, which can be a cause of concern for India, which emphasizes shared values in its engagements with Africa

#### e. ISSUES AND CHALLENGES:

- **Geographical Distance:** The geographical distance between India and Africa poses logistical challenges in terms of connectivity, trade, and people-to-people exchanges.
- **Competing Priorities:** African countries often have multiple partners and engagements, including with major powers like China, the European Union, and the United States.
- **Infrastructure Deficits:** Many African countries face infrastructure deficits, including inadequate transportation networks, power shortages, and digital connectivity gaps.
- **Security Concerns:** Security challenges, including terrorism, piracy, and conflicts in some African regions, can impact stability and hinder economic development.
- **Cultural and Linguistic Diversity:** Africa is a diverse continent with multiple languages, cultures, and traditions. Understanding and navigating this diversity requires effective communication, cultural sensitivity, and tailored approaches to engage with different African countries and communities.

#### Way forward:

- **Developing Capacity:** Limited human resources, skill gaps, and weak institutional frameworks can hinder effective implementation of joint initiatives and cooperation. India can address these issues on priority.
- **Market Access and Trade Barriers:** Addressing trade barriers and enhancing market access is crucial for expanding India-Africa trade. Tariff and non-tariff barriers, regulatory challenges, and differences in standards and certifications can pose hurdles to bilateral trade and economic cooperation.
- **Removing Development Imbalance:** African countries exhibit significant development disparities, with some countries experiencing high levels of poverty, underdevelopment, and socio-economic challenge

In the present era, the connection between India and Africa will be a thriving partnership between the two continents, focused on capacity building, development cooperation, and economic and technical ventures. India and Africa will emerge as twin growth hubs, transcending their multifaceted partnership to a new level as the world shifts to post-pandemic optimism.

#### f. PREVIOUS YEAR QUESTION (MAINS):

1. Increasing interest of India in Africa has its pros and cons. Critically examine. **(2015)**

#### India – Africa Defence Relations:

The 2<sup>nd</sup> India-Africa Defence Dialogue (IADD) was held on the sidelines of DefExpo 2022 in Gandhinagar, Gujarat.

#### What is India-Africa Defence Dialogue?

- **Theme:**
  - Adopting Strategy for Synergizing and Strengthening Defence and Security Cooperation.
- **Outcome Document:**
  - The Gandhinagar Declaration was adopted as an outcome document of IADD 2022.
  - It proposes to enhance cooperation **in the field of training in all areas of mutual interest by:**
    - increasing training slots and deputation of training teams,
    - empowerment and capability building of the defence forces of Africa,
    - participation in exercises, and
    - providing humanitarian assistance during natural disasters.
  - A volume on India–Africa Defence cooperation was also released.
- **India–Africa Security Fellowship Programme:**
  - IADD also encouraged further research of security issues through offer of fellowships to experts from African countries.
  - This will be done under the India–Africa Security Fellowship Programme.

## 24. India – Mauritius relations:

“India and Mauritius are united by history, ancestry, culture, language and the shared waters of the Indian Ocean. Today, our robust development partnership has emerged as a key pillar of our close ties.” – PM Modi

- India and Mauritius share a deep-rooted historical connection dating back to the 18th century, with diplomatic relations established in 1948.
- The significant Indian diaspora in Mauritius, comprising 68 per cent of the population, further strengthens the cultural and social ties between the two countries

### a. INDIA – MAURITIUS RELATIONS:

Recently, India hosted the 1<sup>st</sup> Session of “**India-Mauritius High-Powered Joint Trade Committee**” under the “**India-Mauritius Comprehensive Economic Cooperation and Partnership Agreement (CECPA)**”.

**\*\*India-Mauritius Relations Outcomes\*\*:**

- Bilateral trade rose to USD 786.72 million in 2021-22.
- Inclusion of General Economic Cooperation (GEC) chapter and Automatic Trigger Safeguard Mechanism (ATSM) in CECPA.
- Discussions on skills equivalence and movement of professionals.

### **India-Mauritius CECPA:**

- Aims to boost trade in select sectors.
- India gets access for 300+ goods in Mauritius.
- Mauritius benefits from preferential access for 615 products in India.

### **\*India's Assistance to Mauritius:**

- India provided financial support for various projects.
- Mauritius is a top source of FDI into India.
- Defense and COVID-19 support agreements signed.

### **Way Forward for India-Mauritius Relations:**

- Strengthen regional partnerships with nations like Comoros, Madagascar, Seychelles, Maldives, and Sri Lanka.
- Enhance engagement with Mauritius in the southwestern Indian Ocean.
- Focus on security, economic ties, and diplomatic support.

### **Significance of India-Mauritius Relations**

- Geo-strategic location bolsters India's regional vision.
- Economic cooperation, innovation hub potential.
- Countering Chinese influence in the Indian Ocean.
- Strong cultural ties and people-to-people exchanges.
- Tourism and investment opportunities.
- Collaboration in regional stability and disaster management.
- Diplomatic support on global issues.
- Education and capacity building initiatives.

### **ISSUES IN INDIA-MAURITIUS RELATIONS:**

- Misuse of Double Taxation Avoidance Agreement.
- Maritime boundary dispute over Chagos Archipelago.
- Security concerns, piracy, and trafficking.
- Migration and labor issues.
- Rising Chinese influence in the region.
- Connectivity and transportation challenges.
- Cooperation in regional forums.
- Health and pandemic response collaboration.

### **Way Forward:**

- Foster trade, investment, and explore new sectors.
- Address tax and financial transparency concerns.
- Strengthen security cooperation, counter-piracy efforts.

- Promote cultural exchanges and educational ties.
- Collaborate on environmental sustainability and climate change.
- Engage in regional forums and connectivity initiatives.

#### **SOUTHERN AFRICAN DEVELOPMENT COMMUNITY (SADC):**

- SADC, established on 1 April 1980 was the precursor of the **Southern African Development Community (SADC)**. The SADCC was transformed into the SADC on 17 August 1992 in Windhoek, Namibia where the SADC Treaty was adopted, redefining the basis of cooperation among the Member States from a loose association into a legally binding arrangement.
- The main objectives of SADC are to achieve development, peace, and security, and economic growth, to alleviate poverty, enhance the standard and quality of life of the peoples of Southern Africa, and support the socially disadvantaged through regional integration, built on democratic principles and equitable and sustainable development.
- SADC addresses the Agriculture and Food Security issues within the Southern African region by focusing on five key areas:
  - **Food Security**
  - Crop Production**
  - Livestock Production**
  - Agriculture**

#### **Information**

- The Regional Indicative Strategic Development Plan (RISDP) and the Strategic Indicative Plan for the Organ (SIPO) remain the guiding frameworks for SADC Regional Integration, providing SADC Member States, SADC Secretariat and other SADC Institutions with consistent and comprehensive programs of long-term economic and social policies.
- In value terms, it ranks first among African Regional Trade Agreements (RTAs), representing 41 percent of total African exports in 2017.
- SADC has emerged as an important partner for India. During the last ten years, India's total trade with SADC countries nearly doubled from \$ 13.7 billion in 2008 to \$ 25.5 billion in 2017, with SADC's share in India's total trade with Africa has increased from 32.8 percent in 2008 to 42.4 percent in 2017.
- The increasing importance of India as SADC's trading partner can also be assessed from the fact that India's share in SADC's global trade has more than doubled from 2.9 percent recorded in 2008 to 6.4 percent in 2017.

## **25. INDIA-EURASIA RELATIONS:**

"New Eurasia" is a term that has been used in various contexts, but it **generally refers to the idea of a new political, economic, or cultural alignment in the region of Eurasia.**

This can include **ideas such as a re-emergence of Russia as a dominant power** in the region, the integration of various countries in the region into a larger economic and political bloc, or the emergence of new cultural or ideological trends in the region.

The concept of New Eurasia is often associated with the idea of a "Eurasian Union" comprising of former Soviet republics. However, the meaning and scope of the term can vary depending on the context in which it is used.

#### **What is the Changing Geopolitics between Asia and Europe?**

- India's mounting security challenges from China on the Himalayan frontier and India's continental strategy will become tougher in the coming era.
  - On the other side, the possibilities for strengthening India's strategic capabilities in partnership with the US and Europe as well as Japan, South Korea and Australia have never been that stronger.
- Japan is **determined to build strong military partnerships with Europe.** For Japan the security of Europe and the Indo-Pacific is indivisible.
- South Korea is also **joining the party by raising its profile in Europe.** For example, it is selling major weapons platforms in Poland.

- Australia **has joined the US and UK in the AUKUS arrangement** and is equally eager to bring Europe into the Indo-Pacific.
  - Together Japan, South Korea and Australia are bridging the divide between Asia and Europe which was once seen as separate geopolitical areas.
- Moreover, the partnership between Asia and Europe has increased by **Russia's war in Ukraine** and due to the alliance between Russia and China.

#### What are the Challenges with Emergence of Eurasia?

- **Increasing Economic Influence of Countries:**
  - One major shift has been the **increasing economic and political power of countries like China and Russia**.
    - China's **Belt and Road Initiative**, a massive infrastructure project spanning multiple countries, has **allowed the country to expand its economic influence** and secure access to natural resources.
    - Russia, meanwhile, has used its energy resources to gain leverage in the region and assert itself as a major player in international affairs.
- **Increasing Tensions between Various Countries:**
  - The ongoing conflict in Syria, for example, has led to a breakdown in relations between Turkey and Russia, and has also strained relations between the United States and other countries in the region.
  - Additionally, the ongoing conflicts in Ukraine and the territorial disputes in the **South China Sea** have led to increased tensions between neighboring countries.
- **Political Changes:**
  - Political changes in the region, such as Brexit and the rise of populist movements in Europe, have also had an impact on the dynamics of Eurasia.
  - Some experts argue that **these changes could lead to a shift in the balance of power in the region**, with potential implications for international relations and trade.

#### What are the Implications for India due to the Emergence of New Eurasia?

- **Harder to Balance Maritime and Continental Powers:**
  - Before now, India could **easily cooperate with the maritime coalition** (the **Quad** in the **Indo-Pacific**) and run simultaneously with the continental coalition led by Russia and China.
  - However, the conflict between the **US, Europe, and Japan on the one hand and China and Russia on the other will bring challenges for India** in balancing its relation with these countries.
- **Security Challenges from China:**
  - One of the main challenges is **China's territorial claims and military expansion in the Himalayas**, which has led to increased tensions between the two countries.
  - Additionally, **China's economic and military rise has led to concerns** about its ability to project power in the Indian Ocean region, which is of strategic importance to India.
  - Furthermore, China's growing influence in neighboring countries through the Belt and Road Initiative has led to concerns about encirclement and potential threats to India's security.
- **Cooperation between China and Russia:**
  - It has the **potential to alter the balance of power in the region in favor of China and Russia**, which could have negative consequences for India's security and strategic interests.
  - Additionally, the **growing cooperation between China and Russia could lead to increased military and economic coordination**, which could further challenge India's position in the region.
  - Furthermore, China and Russia's close relationship could lead to them jointly opposing India on key issues such as **counter-terrorism, UN peacekeeping**, and regional stability, which would limit India's ability to advance its own interests on the global stage.

#### How can India Protect its Interests in the Era of Emergence of New Eurasia?

- **Building Stronger Economic Ties:**
  - India **should work to strengthen its economic ties with other countries** in the region, particularly with those that are not participating in the **Belt and Road Initiative**, in order to create alternative options for trade and investment.
- **Diplomatic Engagement:**

- India should **engage in diplomatic efforts to build stronger relationships** with other countries in the region, in order to counterbalance China and Russia's growing influence.
  - This could include building stronger ties with the US, Japan and other countries in the region.
- **Military Cooperation:**
  - India should **strengthen its military cooperation with other countries** in the region, particularly with those that share its concerns about China's territorial claims and military expansion.
- **Maintaining Strategic Autonomy:**
  - India should **maintain its strategic autonomy by avoiding being drawn** into aligning with any specific bloc or power structure.
- **Investing in Domestic Production:**
  - India should **focus on investing in domestic production and technology** to reduce dependency on imports and enhance self-reliance in critical areas.

### What should be the Way Forward?

- **Ensuring Continental and Maritime Interests:**
  - It is quite clear India will not have the luxury of choosing one over the other, it would need to acquire strategic vision and deploy the necessary resources to pursue its continental interests without ignoring the interests in the maritime domain.
    - This will require a more assertive push for the continental rights (transit and access), working with the partners in Central Asia, with Iran and Russia and a more proactive engagement with economic and security agendas ranging from the **Shanghai Cooperation Organisation (SCO)**, **Eurasian Economic Union (EAEU)** and **the Collective Security Treaty Organization (CSTO)**.
- **Centrality of the Central Asian states:**
  - China strives to secure long-term strategic gains on continental Eurasia, but its maritime expansionist gains are relatively easier to reverse.
    - Like the **Association of Southeast Asian Nations (ASEAN)** centrality is key to the Indo-Pacific, centrality of the Central Asian states should be key for Eurasia.
  - India should focus on building strong economic and diplomatic ties with the Central Asian states.
    - This could include increasing trade and investment in the region, as well as promoting cultural exchange and collaboration on regional security issues.
- **Expanding Economic and Trade Relationships:**
  - India can also **seek to expand its economic and trade relationships with countries in the region**, through initiatives such as the **International North-South Transport Corridor** and the **Chabahar port project**.

## 26. INDIA-LATIN AMERICA RELATIONS:

**Context:** External affairs minister who visited Brazil, Argentina and Paraguay earlier, is to visit Guyana and Colombia later this month.

Dimension of India-LAC	Examples
Historical	<p><b>Colonial legacy:</b> Indian indentured labour was shipped mainly to the Caribbean. India's leading communist ideologue, <b>M.N. Roy played an important role in the creation of the Mexican Communist Party in 1917.</b></p> <p><b>NAM movement:</b> As a founding member of the Non-Aligned-Movement (NAM), India generated a lot of goodwill and attracted many Latin American Countries.</p>
Political	India and Brazil are members of the <b>BRICS grouping and the IBSA Dialogue Forum</b> . India has also signed <b>strategic partnership agreements</b> with Brazil, Mexico, and Chile.
Economic	India's annual trade of <b>US\$30 billion to US\$50 billion</b> with Latin America (Trade has been rising constantly by 25% every year). Indian companies, <b>mainly ONGC, and private sector organizations</b> like Reliance, and Gammon India, have invested in producing oil and gas fields in LAC. Indian companies have been interested in the <b>critical deposits of resources such as copper and lithium</b>
Cultural	Across Latin America, there are thousands of followers of <b>Indian spiritual gurus like Sai Baba, Brahma Kumaris, and Hare Krishna</b> . There is also growing interest in <b>Indian Ayurvedic and natural products</b> .
Diaspora	Today, the Indian diaspora accounts for a <b>major portion of the populations of Trinidad, Suriname and Guyana</b> .
Scientific and Technological	India and Brazil have an MoU on cooperation in the field of <b>Biotechnology</b> . India and Mexico have signed an agreement on cooperation in the <b>fields of Science and Technology</b> .
Defence	India has signed an MoU on Defence Cooperation with Brazil. India also has defence cooperation agreements with Chile and Mexico.
Education	Universities <b>student and faculty exchanges</b> . The <b>Indian Council for Cultural Relations (ICCR)</b> has also been offering scholarships to LAC students for higher education in India.

### Challenges in the relationship:

- **Distance and Lack of Connectivity**
- **Language Barrier:** Spanish and Portuguese are the dominant languages in the region, while India's official language is Hindi and English.
- **Limited Cultural Understanding**
- **Protectionist Policies:** Protectionist measures (by both regions), such as tariffs and non-tariff barriers, could increase costs for businesses and restrict access to markets.
- **Political Instability:** Political instability and economic uncertainties in some Latin American countries could deter Indian businesses from investing in the region.
- **Lack of High-Level Interactions:** High-level interactions between India and Latin America have been limited.

### Conclusion:

India's trade with Latin America is negligible in comparison to China's **\$450 billion** trading in that region. Historically, Indian businesses have lagged in LAC. Hence, India will need to **step up its economic diplomacy** and join regional economic institutions like the **Inter-American Development Bank**.

### a. MEA VISIT TO LATIN AMERICAN COUNTRIES:

Indian External Affairs Minister paid visit to four of the Latin American countries- Panama, Guyana, Colombia and Dominican Republic.

### Significance of the recent meet

- **Guyana:** Commissioned an India-made ferry MV Ma Lisha to improve connectivity and mobility within Guyana.
- **Panama:** India's largest Central American trade partner, with US \$610 million in annual trade in 2022.
  - Positioned to serve as India's gateway to the Latin American region, offering unique logistical capabilities as a maritime hub.
- **Colombia:** Signed the Cultural Exchange Program for 2023-26.
- **Dominican Republic:** Inaugurated the Embassy of India in the Dominican Republic.

**India-CELAC (Community of Latin American and Caribbean States) Relations:** India's engagement with CELAC, a regional organization comprising 33 countries in Latin America and the Caribbean, has gained significance in recent years. These relations have primarily focused on strengthening economic ties, promoting cultural exchange, and enhancing cooperation in various sectors.

India's relations with CELAC reflect its commitment to fostering partnerships across the globe. These ties encompass diverse areas and have the potential to further strengthen India's presence and influence in Latin America and the Caribbean.

**Note-** The Community of Latin American and Caribbean States called CELAC, is a regional bloc of 33 sovereign countries in Latin America and the Caribbean with a population of about 600 million, land area 6 times bigger than India and GDP of US\$ 3 trillion.

## 27. INDO PACIFIC REGION:

Emphasising sustainable use of ocean resources for economic growth while preserving the ecosystem's health, the Defence Minister of India during the **18<sup>th</sup> Heads of Asian Coast Guard Agencies Meeting (HACGAM)** in New Delhi said India stands for open and rule-based maritime borders in Indo-Pacific.

### What is the Heads of Asian Coast Guard Agencies Meeting (HACGAM)?

- It is an apex level forum facilitating the congregation of all the major Coast Guard Agencies of the Asian region, it was established in 2004.
- It is a **multilateral forum of 23 countries** including Australia, Bahrain, Bangladesh, Brunei, Cambodia, China, France, India, Indonesia, Japan, South Korea, Lao PDR, Malaysia, Maldives, Myanmar, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, Turkiye, Vietnam and one Region i.e., Hong Kong (China).
- The **Indian Coast Guard (ICG)** is hosting the 18<sup>th</sup> HACGAM in coordination with the HACGAM Secretariat.
- A total of 55 representatives from 18 countries and two International Organisations — **Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia Information Sharing Centre (ReCAAP ISC)** and **United Nations Office on Drugs and Crime - Global Maritime Crime Programme (UNODC-GMCP)** are participating in the meeting.

### What is the Indo-Pacific Region?

- **About:**
  - Indo-Pacific is a recent concept. It was about a decade ago that the world started talking about the Indo-Pacific; its rise has been quite significant.
  - One of the reasons behind the popularity of this term is an understanding that the **Indian Ocean and the Pacific are a linked strategic theater**.
    - Also, the centre of gravity has shifted to Asia. The reason being maritime routes, the Indian Ocean and the Pacific provide the sea lanes. The **majority of the world's trade passes through these oceans**.
- **Significance:**
  - The Indo-Pacific region is one of the **most populous and economically active regions of the world** which includes four continents: Asia, Africa, Australia and America.
  - The dynamism and vitality of the region is self-evident, **60% of the world's population and 2/3rd of the global economic output** makes this region a global economic centre.



- The region is also a **great source and destination for Foreign Direct Investment**. Many of the world's critical and large supply chains have an Indo-Pacific connection.
- There are **vast reserves of marine resources in the Indian and Pacific Oceans combined**, including offshore hydrocarbons, methane hydrates, seabed minerals and **rare earth metals**.
  - Sizable coastlines and **Exclusive Economic Zones (EEZs)** provide littoral countries with competitive capabilities for exploiting these resources.
  - In turn, a number of the world's largest economies are located in the Indo-Pacific region, including India, U.S.A, China, Japan, Australia.

#### What is India's Perspective of the Indo-Pacific?

- **Cooperate with Others for Security Architecture:** A lot of India's special partners, the US, Australia, Japan and Indonesia want India's presence in the **South China Sea**, East China Sea, basically to counter China.
  - India, however, seeks to cooperate for an architecture for peace and security in the region. The common prosperity and security require the countries to evolve, through dialogue, a common rules-based order for the region.
- **Indo-Pacific Extends from Africa to America:** For India, Indo-Pacific stands for a free, open, inclusive region. It includes all nations in the geography and also others who have a stake in it. In its geographical dimension, India considers the area from the shores of Africa to the shores of America.
- **Equal Share in Trade and Investment:** India supports rule-based, open, balanced and stable trade environment in the Indo-Pacific Region, which lifts up all nations on the tide of trade and investment. This is the same as what the country expects from the **Regional Comprehensive Economic Partnership (RCEP)**.
- **Unified ASEAN:** Unlike China, India seeks a unified ASEAN, not a divided one. China tries to play off some ASEAN members against others, thereby in a way executing 'divide and rule' conquest strategy.
- **Work in Collaboration with China:** India does not comply with the US version of Indo-Pacific, that seeks to contain Chinese dominance. India is rather looking for the ways through which it can work together with China.
- **Against Dominance of a Single Player:** India is **looking for democratising the region**. Earlier, the region used to be almost like an American lake. However, there exists a fear that the region will become Chinese lake now. India doesn't want hegemony of any player in the region.

#### What are the Current Challenges in the Indo-Pacific?

- **Theatre of Geo-Strategic Competition:** Indo-Pacific is the principal theatre of geo-strategic competition between different multilateral institutions like **QUAD** and **Shanghai Cooperation Organisation**.
- **China's Militarization Move:** China has been a challenge to India's interests and stability in the Indian Ocean. India's neighbours are receiving military and infrastructural assistance from China, including submarines for Myanmar, frigates for Sri Lanka, and its **overseas military base in Djibouti (Horn of Africa)**.
  - Also, China has a hold over **Hambantota port (Sri Lanka)**, which is just a few hundred miles off the shores of India.
- **Hotspot For Non-Traditional Issues:** The region's vastness makes it difficult to assess and address multiple risks, including incidents of piracy, **trafficking** and **terrorism**.
  - The Indo-Pacific region is facing serious challenges related to geographical and ecological stability due to **climate change** and the three consecutive **La Niña events** that are causing **cyclones** and **tsunamis**.
- Also, illegal, unregulated and unreported (IUU) fishing and **marine pollution** is hampering the aquatic life of this region.
- **India's Limited Naval Capacity:** **Indian Navy** has limited resources and capacity to strengthen its efforts because of limited allocation of Indian military budget. Also, lack of overseas military bases creates a fundamental logistical challenge for India to maintain its presence in the Indo-Pacific.

#### Way Forward

- The **countries in the region should have equal access** as a right under international law to the use of common spaces on sea and in the air that would require freedom of navigation, unimpeded commerce and peaceful settlement of disputes in accordance with international law.
- It is important to **establish connectivity in the region** based on respect for sovereignty and territorial integrity, consultation, good governance, transparency, viability and sustainability.

- **Maritime Domain Awareness (MDA)** is necessary for Indo-Pacific security. MDA implies effective understanding of any activity associated with the maritime environment that could impact upon the security, safety, economy or environment
- **Multipolarity:** Security & peace and law-abiding nature of the countries around the region is crucial. This will also allow multipolarity in the region. The smaller states in the region expect India to step up to the plate and help them widen their options, both economically as well as militarily. India should try to fulfill their aspirations.

#### a. REGIONAL COOPERATION FOR DISASTER RISK MANAGEMENT IN INDO-PACIFIC:

Recently, Quad countries signed Humanitarian Assistance and Disaster Relief (HADR) Agreement.

This partnership was announced as part of a shared vision for a free, open, inclusive and resilient Indo-Pacific region.

The Partnership has been designed to

- respond to the vulnerabilities of the Indo-Pacific region.
- serve as a dedicated framework to coordinate their disaster response operations in the region.
- augment their capacity and capability, interoperability and operational synergy to undertake HADR operations.
- promote inclusion by ensuring that vulnerable sections of society are agents and beneficiaries of humanitarian action.

#### Vulnerabilities of the Indo-Pacific Region

- Highly disaster prone region accounting for more than three-quarters of the global number of tsunamis, earthquakes, floods, landslides, cyclones etc.
- The region faces a wide array of challenges such as higher temperatures, abnormal fluctuations in rainfall, home to small island states and developing littoral countries etc.
- Areas of co-operation can include Early warning systems, emergency preparedness, disaster resilience, etc.

#### Significance of regional cooperation in disaster risk management

- **Critical for reducing the risk:** By sharing of data and forecasts on severe weather, monsoons, floods, and tropical cyclones.
- **For better response post disaster:** Through the coordination and sharing of information, expertise, and resources, countries can help one another during the critical 48 hours following a disaster.
- **Crucial for support in recovery phase:** Partnerships and networks in the region can share approaches, tools, technologies, and good practices that can lead to more viable development outcomes.
- **Betterment of diplomatic ties:** HADR operations and response plans can build confidence and improve diplomatic ties in the region.
- **Emerging need:** As climate change is a cross-border issue, this makes regional cooperation even more important.

#### Challenges in effective cooperation in the region

- **Sovereignty issues:** Competitive and complex geopolitical realities leads to an aversion to data sharing brought about by concerns of sovereignty.
- **Capacity constraints:** As a result of lack of resources and training disaster management remains focused only on preparedness and emergency response.
- Pre-dominance of armed forces in disaster preparedness and emergency response hinders regional cooperation, as each country is wary of inviting neighboring armed forces into their territory.
- Developmental priorities restrict needed investment in strengthening the existing disaster management frameworks and agencies in south Asian nations.
- **Presence of China:** China has been scaling up its presence in the Indo-Pacific with implications for both disaster response and maritime security.

#### Way Forward

- **Building Trust:** Countries must balance the challenges of both current perceptions and historical precedents, and the trade-offs that they can lead to diminished trust.
- **Sharing of critical data:** Establishing a cooperative means of sharing critical data meteorological data, vehicle geolocations or cell phone data before disasters.

- Integrating technology can help automate the process of managing the various disciplines, such as quick processing of large amounts of data and the establishment of a centralized/accessible database.
- Incorporating pandemic learnings: Increasing input from health experts and combine their consultations with disaster experts to improve the effectiveness of disaster recovery.
- Realising potential role of private citizens and local groups by creating coordination and response frameworks that will allow volunteers to interface with the formal organizations and agencies.
  - An example of such a training program is the Citizen Emergency Response Training (CERT) program in the United States.

#### **b. INDIA'S DISASTER RELIEF DIPLOMACY:**

- India's '**Operation Dost**' in response to the earthquake in Turkey and Syria demonstrates its commitment to disaster relief diplomacy.
- **Disaster relief diplomacy**, or Humanitarian Assistance and Disaster Relief (HADR) diplomacy, is a soft power tool that strengthens international cooperation, fosters people-to-people ties, and enhances a country's global prestige.
- It showcases India's belief in the concept of '**Vasudhaiva Kutumbakam**' or '**the whole world is one family,**' emphasizing its dedication to global humanitarian efforts.
- India's efforts in disaster relief diplomacy have expanded in recent years and have played a role in shaping initiatives like the Quadrilateral Security Dialogue (Quad), which aims to build disaster response systems in the region.
- Notable examples of India's humanitarian assistance include its response to the 2004 Tsunami in the Maldives and Sri Lanka, Cyclone Nargis in Myanmar in 2008, the 2011 Tsunami in Japan, and the 2015 earthquake in Nepal.
- '**Operation Dost**' holds significance beyond immediate relief, as it represents India's willingness to provide assistance despite political differences. This gesture could potentially lead to a reset in diplomatic relations with Turkey, contributing to global goodwill and cooperation.

#### **India and HADR Diplomacy**

HADR stands for "Humanitarian Assistance and Disaster Relief" in the context of India's policy and strategy. It refers to a set of coordinated efforts, plans, and actions undertaken by India to provide assistance and relief during humanitarian crises and disasters, both within its own borders and to other countries in need. India has developed a comprehensive HADR policy that outlines its approach to disaster response and humanitarian assistance.

#### **INDO-PACIFIC ECONOMIC FRAMEWORK FOR PROSPERITY (IPEF):**

Recently, the Minister of Commerce & Industry addressed the **Indo-Pacific Economic Framework (IPEF) Ministerial meeting** in the US, where India decided to stay away from the Fair & resilient trade Pillar.

- India agreed to **three out of four pillars**, which are **Supply Chains, Tax & Anti-Corruption and Clean Energy**.

#### **What is IPEF?**

- It is a **US-led initiative** that aims to **strengthen economic partnership among participating countries** to enhance resilience, sustainability, inclusiveness, economic growth, fairness, and competitiveness in the **Indo-Pacific region**.
- The IPEF was launched in 2021 with a **dozen initial partners** who together represent **40% of the world GDP**.
- The IPEF is **not a Free Trade Agreement (FTA)** but allows members to **negotiate the parts they want to**. The negotiations will be along **four main "pillars"**.
  - **Supply-chain resilience**
  - Clean energy, decarbonisation & infrastructure
  - Taxation & anti-corruption
  - Fair & resilient trade.
- Currently, **India and 13 countries located in the Pacific Ocean** are its members,
  - Australia, Brunei, Fiji, India, Indonesia, Japan, South Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, United States, and Vietnam.

### What is India's position on the IPEF?

- While some countries had expressed interest in joining negotiations, India **did not declare a definitive position** for some time because it will be watching **what benefits member countries will derive and whether any conditionalities on aspects like environment** may discriminate against developing countries.
- Some areas proposed in the IPEF **do not appear to serve India's interests**.
  - For example, the IPEF talks about digital governance but the IPEF formulation contains issues that **directly conflict with India's stated position**.
- India is in the **process of firming up its own digital framework and laws**, particularly regarding privacy and data, and **it would wait for more information**.
  - In August 2022, the Indian government withdrew the Personal Data Protection Bill from Parliament, saying it would consider **"comprehensive legal framework"** to regulate the overall Internet ecosystem, cybersecurity, etc.
- The **US has earlier expressed concerns** about the possibility of the **Indian side demanding data localisation or the storage** and processing of Indian users' data in servers located in India and not the US, even in the case of data of US-based companies.
  - A US report expressed that India's policy will serve as significant barriers to digital trade and act as market access barriers, especially for smaller firms.

### How is IPEF Different from Other Trade Deals?

- The IPEF is **not exactly a trade pact** and the provision of multiple pillars does entail **an option for participants to choose what they want** to be a part of.
- It's not a **take-it-or-leave-it arrangement**, like most multilateral trade deals are.
- Since the IPEF is not a regular trade pact, the members so far are **not obligated by all the four pillars despite being signatories**.
- So, while **staying off the trade part of the arrangement, India has joined** the other three pillars of the multilateral arrangement – supply chains, tax and anti-corruption and clean energy.

### What is India's Vision for the Indo-Pacific Region?

- India's trade in this region is growing rapidly, with overseas investments being directed towards the East, e.g., the **Comprehensive Economic Partnership Agreements** with Japan, South Korea, and Singapore, and the Free Trade Agreements with **ASEAN (Association of Southeast Asian Nations)** and Thailand.
- India has been active in championing a Free and Open Indo-Pacific. The US, Australia, and the members of the ASEAN have all expressed a common view that India plays a greater role in the region.
- India, along with its **Quad partners**, is improving its game in the Indo-Pacific.
- India's view is to work with other like-minded countries in the Indo-Pacific region to cooperatively manage a rules-based multipolar regional order and prevent any single power from dominating the region or its waterways.

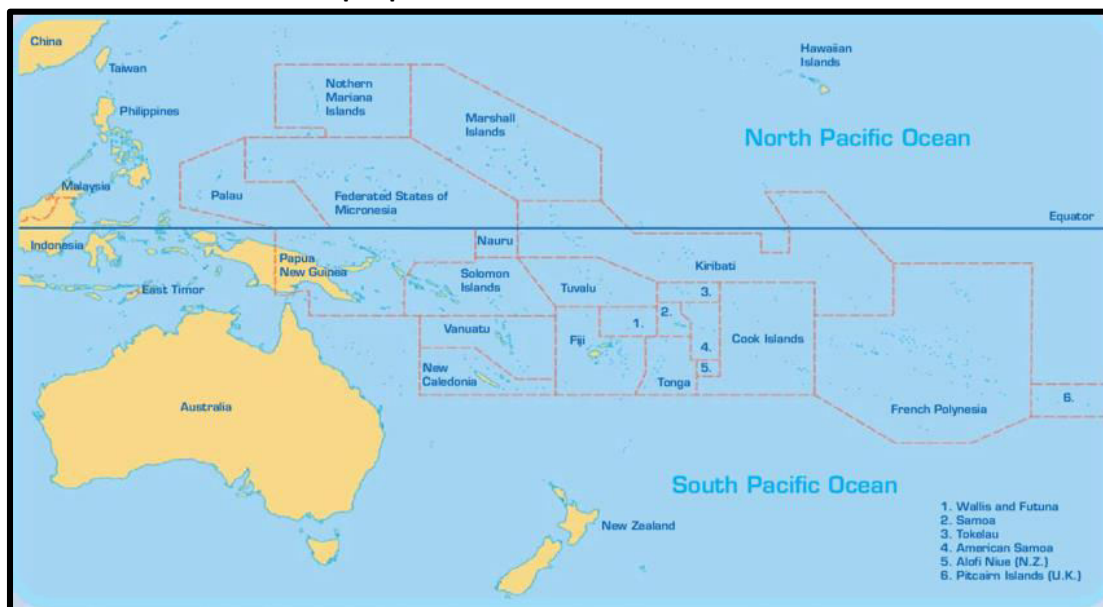
## 28. INDIA AND PACIFIC ISLAND COUNTRIES (PIC):

The 3<sup>rd</sup> Forum for India–Pacific Islands Cooperation (FIPIC) Summit was held in Port Moresby, Papua New Guinea on May 22, 2023. It was co-chaired by Indian and Papua New Guinea's Prime Minister and attended by 14 Pacific Island Countries (PICs).

- The Indian Prime Minister was honored with the **Grand Companion of the Order of Logohu (GCL)** - the highest civilian award of Papua New Guinea.

### What are the Major Highlights of the Third FIPIC Summit?

- **India Stands with PICs:**
  - India supports the **sovereignty and integrity of all countries** and emphasised the **shared priority of reforming international institutions to amplify the voice of the Global South**.
    - The Prime Minister mentioned discussions with **Australia, the US, and Japan** as part of the **Quad** during the **G7 summit**, focusing on the Indo-Pacific region.
  - In line, leaders from the Quad nations have announced plans to implement **Open Radio Access Networks (RAN) beginning with Palau in the Pacific Region**.
  - The Prime Minister of Papua New Guinea also urged India to be an advocate for the PICs in the **G-7 and the G-20 summits**.
- **12-Point Formula:**
  - India also unveiled a **12-point development programme** in areas of **healthcare, cyberspace, clean energy, water and small and medium enterprises in PIC**, according to which:
  - India will establish a **super-specialty cardiology hospital in Fiji**, introduce **dialysis units and sea ambulances in all 14 PICs**, and establish **Jan Aushadhi Centres to provide affordable medicines**.
  - India will support the development of the **small- and medium-scale enterprise sector in each Pacific Island nation**.
    - India also pledged to **provide desalination units to address water scarcity issues**.
- **'Thirukkural Book:**
  - **Also, the Indian Prime Minister along with his Papua New Guinea counterpart** also released the Tamil classic 'Thirukkural' in Tok Pisin (official language of Papua New Guinea) to **bring the Indian thought and culture closer to the people of this southwestern Pacific nation**.



### What is FIPIC?

- **About:**
  - India's engagement with the **PICs** is part of **India's Act East Policy**.
    - A major initiative launched under the rubric of the Act East Policy for the PICs is the **Forum for India-Pacific Islands Cooperation (FIPIC)**.

- FIPIC is a **multinational grouping developed for cooperation between India and 14 PICs, namely Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.**
- It was launched in November 2014 and the **first FIPIC summit was held in Suva, Fiji in 2014** and the **second one was held in Jaipur, India in 2015.**
- **Objective:**
  - To **enhance India's relations with the PICs** in various fields such as trade, investment, tourism, education, health, agriculture, renewable energy, disaster management and climate change.
  - FIPIC also provides a **platform for dialogue and consultation on regional and global issues of mutual interest.**

#### **What is the Significance of Pacific Island Countries?**

- **Geopolitical Importance:** The Pacific Island nations are **strategically located in the vast expanse of the Pacific Ocean**, which has drawn the attention of major powers like the US, Russia and China due to their **potential for trade, military presence, and alliances.**
- **Economic Potential:** These nations possess **valuable natural resources, including fisheries, minerals, timber, and tourism assets.**
  - Additionally, their **exclusive economic zones (EEZs) are rich in marine resources.** They also serve as **transit points for international trade, connecting various regions across the Pacific.**
    - **9 of the world's 10 busiest seaports are in this region.**
- **Cultural and Biological Diversity:** The Pacific Island nations are home to diverse **indigenous cultures, languages, and traditions, which are of immense value to humanity.**
  - The preservation and promotion of their unique cultural heritage contribute to global diversity.
- **Potential Vote Bank:** The 14 PICs, bound together by shared economic and security concerns, account for as many votes in the **United Nations**, and act as a potential vote bank for major powers to mobilise international opinion.

#### **How is India's Relations with Pacific Island Countries?**

- **About:**
  - **India and the PICs** share historical and cultural ties and **have been engaging with the PICs through various bilateral and multilateral platforms**, such as the **Non-Aligned Movement, the United Nations and the FIPIC.**
  - India's engagement with the PICs is driven by its **vision of a free, open and inclusive Indo-Pacific region**, as well as its commitment to support the development aspirations and **climate resilience of the PICs.**
    - The references to "vision for a free, open and inclusive Indo-Pacific" are believed to be related to **China's increasing assertion in the region.**
- **Assistance:**
  - India has been a reliable partner for the PICs especially during the **Covid-19 pandemic.**
  - India has provided **vital medicines, vaccines and food to the PICs as part of its humanitarian assistance and disaster relief efforts.** Some of the examples of India's support to the PICs during the Covid-19 pandemic are:
    - India donated **1.2 million doses of Covishield vaccine to Fiji** under its **Vaccine Maitri initiative.**
    - Supplied essential medicines and medical equipment worth **USD 2 million to Papua New Guinea, 100 metric tonnes of rice to Nauru under its Mission Sagar initiative, line of credit worth USD 75 million to Fiji for a co-generation power plant project.**
    - India extended a line of credit worth **USD 100 million to Samoa for a solar power project.**
- **Economic Relations:** Based on 2021-22 data, the total annual trade between India and Pacific Island countries is valued at **USD 570 million**, in commodities such as plastics, **pharmaceuticals, sugar, mineral fuel and ores.**
  - Among them, **Papua New Guinea is the biggest trade partner in terms of value.**
- **Future Prospects:** India and the PICs have immense potential to enhance their cooperation in various sectors such as **blue economy, maritime security, digital connectivity, health care, education and skill development.**
  - India can leverage its strengths in **information technology, renewable energy, space technology and pharmaceuticals** to offer innovative solutions to the challenges faced by the PICs.
  - India can also share its best practices and experiences in **disaster management and climate change adaptation with the PICs.**

## 29. INDIA-USA-CHINA TRIANGLE:

The India-USA-China triangle is a complex geopolitical phenomenon that has gained significant attention in recent years. India, the world's largest democracy, is positioned in South Asia, while China is situated in East Asia.

The United States, the world's largest economy and military superpower, is situated in North America.

The three nations are interdependent on each other economically, politically, and strategically.

India's relationship with the US has grown significantly in recent years, driven by shared democratic values, economic and trade ties, and a common interest in regional security and stability. The two countries have deepened their strategic partnership through initiatives like the Quad, a grouping of four democratic countries that includes Japan and Australia, aimed at promoting a free and open Indo-Pacific region.

At the same time, India's relationship with China has been more complex and fraught with tension, as the two countries compete for influence in the region and clash over territorial disputes along their shared border. China's growing economic and military influence in India's neighborhood has also raised concerns in New Delhi about encirclement and the potential for conflict.

India, China, and the United States are the world's most populous countries, and their economic and military capabilities are among the strongest. As a result, they are all vital players in the global arena. Their interactions and relationships with each other have an enormous impact on global stability and security.

### **China's Influence in Indian Neighbouring Countries**

China's influence in India's neighboring countries has been a growing concern for India in recent years. China has been seeking to increase its economic and strategic presence in the region through its Belt and Road Initiative (BRI) and other initiatives.

One of the countries where China has increased its influence is Pakistan. China has invested heavily in infrastructure projects in Pakistan, including the China-Pakistan Economic Corridor (CPEC), which is a part of the BRI. China has also provided military and economic assistance to Pakistan, which has complicated India's relationship with its western neighbor.

China has also been seeking to increase its influence in Nepal, Sri Lanka, and the Maldives, which are all located in India's immediate neighborhood. China has provided economic assistance and invested in infrastructure projects in these countries, which has given it greater leverage in its internal affairs.

In addition to its economic and strategic investments, China has also been engaging in soft power diplomacy in the region, including by establishing Confucius Institutes and promoting Chinese culture and language.

India has been concerned about China's growing influence in the region, as it sees it as a threat to its own security and regional stability. India has sought to counter China's influence through increased economic engagement and strategic partnerships with its neighboring countries. India has also been working with other like-minded countries, including Japan and the United States, to promote a vision of a free and open Indo-Pacific region, which is seen as a counter to China's strategic ambitions.

### **India and US efforts to Counter China's Influence**

In recent years, India and the United States have taken steps to counter China's growing influence in the region. Both countries share concerns over China's aggressive territorial claims in the South China Sea, its expanding military presence in the Indian Ocean region, and its economic and technological dominance.

One of the ways in which India and the United States are working together to counter China is through increased cooperation in the security and defense sectors. In 2016, India and the United States signed a Logistics Exchange Memorandum of Agreement (LEMOA), which allows for the sharing of military logistics and supplies.

This was followed by the signing of the Communications Compatibility and Security Agreement (COMCASA) in 2018, which allows for secure communication between the militaries of both countries.

In addition to these agreements, the two countries have been conducting joint military exercises, including the Malabar naval exercise, which also involves Japan and Australia. The exercises aim to increase interoperability between the militaries of the four countries and to send a message of deterrence to China.

India and the United States have also been working to deepen economic ties in order to counter China's economic influence in the region. In 2017, the two countries launched the Strategic Energy Partnership, which aims to increase cooperation in the areas of energy security, trade, and investment.



The United States has also been pushing for India to become a member of the Asia-Pacific Economic Cooperation (APEC) forum, which would give India a greater say in shaping economic policies in the region.

Another way in which India and the United States are countering China is through their collaboration in the technology sector. The United States has been pushing for India to become a part of its “Clean Network” initiative, which aims to exclude Chinese technology companies from participating in critical telecommunications infrastructure.

India has also taken steps to limit Chinese technology companies access to its market, including banning Chinese apps such as TikTok and WeChat.

While India and the United States share concerns over China’s growing influence in the region, their efforts to counter it are not without challenges. India’s traditionally non-aligned foreign policy and its ongoing border dispute with China complicate its efforts to align more closely with the United States.

Additionally, the United States’ own shifting foreign policy priorities under the Biden administration may affect its willingness to engage in the region.

### **Conclusion**

Overall, the India-USA-China triangle is a key driver of regional and global politics and will continue to shape the strategic landscape in the coming years. As India seeks to balance its relationships with these two major powers, it will need to navigate a complex set of geopolitical, economic, and security challenges, while promoting its own interests and strategic objectives.

## 30. ALTERNATIVES TO BELT AND ROAD INITIATIVE (BRI):

China's **Belt and Road Initiative (BRI)** has left scores of **Lower and Middle-Income Countries (LMIC)** saddled with "hidden debts" totalling USD 385 billion.

### Key Points

- **Indebting Countries:** China is using debt rather than aid to establish a dominant position in the international development finance market.
  - China's Belt and Road Initiative (BRI) is **plunging nations into massive debt**.
- **Recent Study about BRI:** A recent study by **AidData** (an international development research lab) has found out that **42 countries have more than 10% of their GDP owed as debt** to China.
  - These debts are systematically underreported to the **World Bank's Debtor Reporting System (DRS)** because, in many cases, central government institutions in LMICs are not the primary borrowers responsible for repayment.
  - 35% of China's BRI infrastructure project portfolio has encountered **major implementation problems, corruption scandals, labor violations, environmental hazards, and public protests**.

### China's BRI and India

- **About BRI:**
  - More than 100 countries signed agreements with China to cooperate in BRI projects like **railways, ports, highways and other infrastructure**.
  - It was announced by the Chinese President Xi Jinping-led regime in 2013. It encompassed five kinds of activities:
    - Policy coordination
    - Trade promotion
    - Physical connectivity
    - Renminbi internationalisation
    - People to people contacts.
- **Routes of BRI:**
  - **New Silk Road Economic Belt:** It encompasses trade and investment hubs to the north of China; by **reaching out to Eurasia including a link via Myanmar to India**.
  - **Maritime Silk Road (MSR):** It begins via the **South China Sea** going towards **Indo-China, South-East Asia** and then around the **Indian Ocean** thus reaching Africa and Europe.
- **Issues Associated to BRI:**
  - **Chinese Monopoly in the Projects:** The investments under the BRI are mostly done by the state-owned enterprises and banks in China.
    - Most of the contracts (93%) have also gone to the state-owned enterprises in China.
    - The **host countries or other companies hardly have any role to play**.
  - **Increased Corruption and Reduced Competition:** Chinese monopoly in lending and building infrastructure has further led to corruption.
    - Due to **no private sector participation**, there is no competitive element in the programme.
  - **Lack of Transparency and Environmental Concerns:** The debt trap diplomacy, the lack of transparency and **unreasonable loan conditions** have made the scheme extremely unpopular.
    - At least **236 BRI projects** have been facing the **debt related problem**.
    - This has also led to dumping of steel and cement raising environmental concerns.
  - **BRI- A Recipe For Total Failure:** China sold most of its connectivity projects to the countries which were looking at China for the success of its economic model in infrastructure projects and wanted to emanate the same path, even if it was not viable for the countries.
    - Moreover, **China has overcommitted itself** and now it is **not able to sustain the aid-program**.
    - The fate of those projects is undetermined which were started but not finished.
    - More than 35% of the project portfolio is stuck on the implementation stage.
- **Response of Recipient-Countries:** China is now facing the **BRI backlash in a growing number of countries** across Africa, Asia, Latin America, and Central and Eastern Europe.

- Policymakers in some countries have **cancelled high-profile BRI projects** and many other countries have **decided to take a second look** at whether the benefits of BRI participation outweigh the risks.
- **Global Responses to BRI:**
  - **B3W Initiative:** The **G7 Countries** proposed a '**Build Back Better World (B3W) initiative**' at the **47<sup>th</sup> G7 summit** to counter China's BRI.
    - It aims to address the infrastructure investment deficit in developing and lower income countries - the space which has been increasingly captured by China.
  - **Blue Dot Network (BDN):** It is a multi-stakeholder initiative **formed by the US, Japan and Australia** to bring together governments, the private sector and civil society to promote high-quality, trusted standards for global infrastructure development.
    - **BDN** was formally announced in november, 2019 at the **Indo-Pacific Business Forum in Bangkok, Thailand.**
  - **Global Gateway:** In a bid to compete with BRI, the **European Union** recently launched the Global Gateway, a new infrastructure development scheme.
- **Concerns for India:**
  - **Hamper India's Strategic Interests:** The **China-Pakistan Economic Corridor (CPEC)** passes through Pakistan-occupied Kashmir (PoK) and Baluchistan, both of which are home to a long-running insurgency where it faces terrorism and security risks.
    - CPEC would hamper India's strategic interests in the South Asian region. and can aid Pakistan's legitimacy in the Kashmir dispute too.
    - Also, **attempts to extend CPEC to Afghanistan** may undermine India's position as economic, security and strategic partner of Afghanistan.
  - **China's Strategic Rise in the Subcontinent:** Along with **China-Myanmar Economic Corridor (CMEC)** and **CPEC**, China is also developing the **China-Nepal Economic Corridor (CNEC)** which will link Tibet to Nepal.
    - The endpoints of the project will touch the boundaries of the Gangetic plain.
    - Thus three corridors signify the economic as well as strategic rise of China in the Indian subcontinent.

### Way Forward

- **Participatory Alternatives:** Alternative projects must be **launched by more advanced countries** which are also **participatory in nature** keeping into account the **interests of the host/recipient countries**.
  - Unless there is a partnership with the host country, the success of the project is not assured.
- **Alternate Funding Sources:** Alternative sources of funding these connectivity projects must be taken into account. The larger nations will have to come forward.
  - Also, **more professional financial institutions shall be invited** to provide assistance in such issues.
- **India's Role:** India will have to work with its partners in the region to **offer alternative connectivity arrangements to its neighbours**.
  - Connectivity is increasingly seen as a tool for exerting foreign policy influence.
  - India stepping forward to enhance interconnectedness will **provide a new theatre for geopolitical competition with China** in South Asia and the Indian Ocean.
  - Connectivity also presents India with an **opportunity to re-establish its regional primacy**.
- **Collaboration with Like-Minded Countries:** India's ability to act alone in South Asia and the larger Indian Ocean is limited.
  - It must **seek help from partners like Japan** when necessary to **build and upgrade its infrastructure** and create an alternative to Chinese-led connectivity corridors and infrastructure projects.
  - Countries like **Australia, France, Germany, the UK and the US** have technical expertise and are already present in the region to some extent.
    - India must **identify the advantages each of these nations offer** and leverage them to **collaborate in areas of common interest** and pursue its strategic connectivity goals.
- **India's Digital Public Infrastructure (DPI)** (India's Digital alternative to BRI especially in Global South) is making international waves. India's DPI has transformed the Indian economy, bolstered productivity and supported equitable growth. India's DPI has been endorsed by multiple countries and international organizations, such as the International Monetary Fund and most recently the G20, as they look to replicate its success.

## Conclusion

- China, in order to go ahead and protect its own interests has put in place a network of investments which has led to several low and middle income countries in severe debt.
- There are ways to deal with it but any individual country cannot go ahead and provide an alternative to BRI but the larger and stronger economies can come together to find a way ahead.

## Rise of the minilateral:

- **Minilateralism Definition:** It's an approach in international diplomacy that breaks complex global issues into smaller groups (3–9 countries). It aims for practical solutions through exclusive, flexible, and functional arrangements.
- **Examples:** Minilateral groups include SCO, CUSMA, RCEP, QUAD, AUKUS, and the Five Eyes Alliance.
- **Rise in Minilaterals:** They've emerged due to challenges in larger multilateral institutions like the UN, WTO, and IMF. These institutions struggle due to great-power rivalry and slow reforms.
- **Contested Regions:** Minilaterals gain prominence, especially in regions like the Indo-Pacific, marked by major powers' competition.
- **Supplementing Multilateralism:** Minilaterals don't replace multilateral organizations but complement them. They offer platforms for diplomacy, confidence-building, and cooperation among like-minded countries.
- **Addressing Global Issues:** Minilateralism helps countries with shared interests tackle specific global challenges, e.g., trade equity, climate change, and health crises. It allows them to find solutions to common concerns, bypassing stagnant frameworks.

## 31. INDIA, IRAN, ARMENIA TRILATERAL:

In a move aimed at strengthening regional co-operation, India, Iran and Armenia have formed a **trilateral grouping**.

### About the grouping

- This trilateral grouping is expected to open up opportunities in different areas for cooperation including energy, transportation, trade, investment and transportation.

### Key-highlights of the first-ever meeting

- The first ever meeting focused on connectivity especially **the International North-South Transport Corridor (INSTC)**.
- INSTC was initially signed by Iran, Russia and India in 2002 and has since then expanded, and a freight corridor connecting which is expected to connect three countries — India, Iran and Russia.
- The main aim of this corridor is to reduce time and costs in the movement of goods from Mumbai to Moscow.
- The focus of the three sides during the meeting was on **economic issues and regional communication channels**.
- They also talked about trilateral cooperation in various fields as well as further deepening of people to people and cultural contacts.

### Focusing on the relationship

#### • Iran and Armenia

- Iran and Armenia, which share a border, also have robust ties.
- Last year, Iran opened a consulate in Armenia's Kapan.
- The two countries have also been working together to enhance trade and economic cooperation.

#### • India and Iran

- India and Iran also have historic ties, with the two countries sharing a common cultural heritage.



- The **Chabahar port** in Iran has been key to connectivity between the two sides. India has provided equipment worth \$25 million to aid in the development of the port, including six mobile harbour cranes.
- The port has the potential to serve as a gateway for India to access **Central Asia and Afghanistan**, while also providing Iran with an alternative trade route to the **Persian Gulf**.
- **Iran and Armenia**
  - Iran and Armenia, which share a border, also have robust ties. Last year, Iran opened a consulate in Armenia's Kapan.
  - The two countries have also been working together to enhance trade and economic cooperation with Armenia serving as a transit route for Iran to access the Eurasian Economic Union.
  - The trilateral grouping between India, Iran, and Armenia is expected to pave the way for greater cooperation in a range of areas, including trade, investment, energy, and transportation.

## 32. INDIA-JAPAN-SOUTH KOREA TRILATERAL:

Experts believe that with the improvement in relationship between Japan and South Korea, India can reapproach the possibility of steering the trilateral initiative that was conceptualised over a decade ago.

### Need for India-Japan-South Korea trilateral:

- **To create a level playing field in Indo-Pacific:** The increased aggression of China in the Indian Ocean region and the South China Sea can only be checked by the culmination of regional powers.
- **To establish mutually beneficial relationship:** India's ambition to improve its manufacturing abilities can be better fuelled by investments from Japan and technology from South Korea.
- **To create Supply Chain Resilience:** reducing the dependence on Chinese imports is an important parameter and the three countries can counter-balance the necessity of imports from China.
- **To tackle hostile neighbours better:** Hostile neighbourhood is a common feature for the trio due to the presence of Pakistan for India and Russia (Kuril Islands), China (Senkaku Islands) and North Korea for Japan and South Korea.
- **To curtail the territorial ambitions of China:** China making inroads in Arunachal and Ladakh also infringes the sovereignty of Korea in Yellow Sea and that of Japan in the Senkaku island region of East China Sea.

### Challenges pertaining to the trilateral:

- **Historically Bitter relationship between Japan and South Korea:** The Colonial rule of Japan over Korea has created a rift between the two countries on many fronts.
- **India's association with Russia:** While both Japan and South Korea have very close ties with USA and sanctioned Russia for its Ukraine aggression, India's alignment with Russia can irk the other two countries.
- **Existing Trade deficits:** With respect to India, the trade deficits are in favour of Japan and South Korea, and Indian goods still face large number of barriers in these two countries.
- **Language Barrier:** The lack of a common language acts a barrier in establishing better people to people connect and the percentage of English-speaking population in all the three countries is also competitively low.

### Way Forward

- **Utilise the forums of G20 and G7:** While India spearheads the G20, the G7 is currently under the presidency of Japan. These forums can be used as opportunity to strengthen the trilateral relationship.
- **By establishing better people to people connect:** Establishment of cultural centres between the countries and exchange of students between their premier educational institutions can be improved.
- **By utilising India's Soft power:** Buddha and his ideas can be used to spearhead the soft power of India over the two countries, which have sizeable number of Buddhist population.
- **By including South Korea in QUAD:** Including South Korean in the QUAD grouping will strengthen its position against China in its limits, thereby strengthening the trio's stand against China.
- **By improving the military exercises:** While military exercises between India and Japan like JIMEX, Dharma Guardian, Quad are already active, avenues for trilateral military exercises needs to be explored

### 33. INDIA-FRANCE-AUSTRALIA TRILATERAL:

- **Trilateral Dialogue:** India, Australia, and France conducted their first trilateral dialogue focused on enhancing cooperation in the Indo-Pacific region. The dialogue will be held annually.
- **Indo-Pacific Cooperation:** India, Australia, and France are strategic partners in the Indo-Pacific and Indian Ocean Region, with logistics agreements and significant information exchange for maritime domain awareness.
- **Countering China:** The trilateral cooperation aims to address China's aggressive behavior in the Indo-Pacific, adding to the Quad Alliance and strengthening the global coalition against China's assertiveness.
- **Key Discussion Areas:** The dialogue covered various topics, including maritime security, humanitarian assistance, disaster relief, environmental challenges, and supply chain resilience.
- **Supply Chain Initiative:** India, Australia, and Japan initiated the Supply Chain Resilience Initiative (SCRI) to build resilient supply chains, with the possibility of France joining.
- **Multilateral Engagement:** The dialogue emphasized the need for reformed multilateralism and practical cooperation at regional levels through organizations like ASEAN, IORA, and the Indian Ocean Commission.
- **Covid-19 Impact:** Discussions also included the financial impact of the Covid-19 pandemic on countries in the Indian Ocean region.
- **Enhancing Partnerships:** The meeting highlighted the opportunity to strengthen partnerships between India, Australia, and France in the Indo-Pacific region.

### 34. INDIA-BRAZIL-SOUTH AFRICA (IBSA) TRILATERAL:

According to the **Geneva-based DiploFoundation**, **India, Brazil, and South Africa**, which have together formed the tripartite **IBSA Forum**, may play a prominent role in the **process of reforming digital governance**.

#### What is IBSA?

##### ▪ About:

- The IBSA is a trilateral, developmental initiative between **India, Brazil and South Africa** to promote **South-South cooperation and exchange**.

##### ▪ Formation:

- The grouping was formalised and named the **IBSA Dialogue Forum** when the Foreign Ministers of the three countries met in **Brasilia (Brazil) on 6th June 2003** and issued the **Brasilia Declaration**.

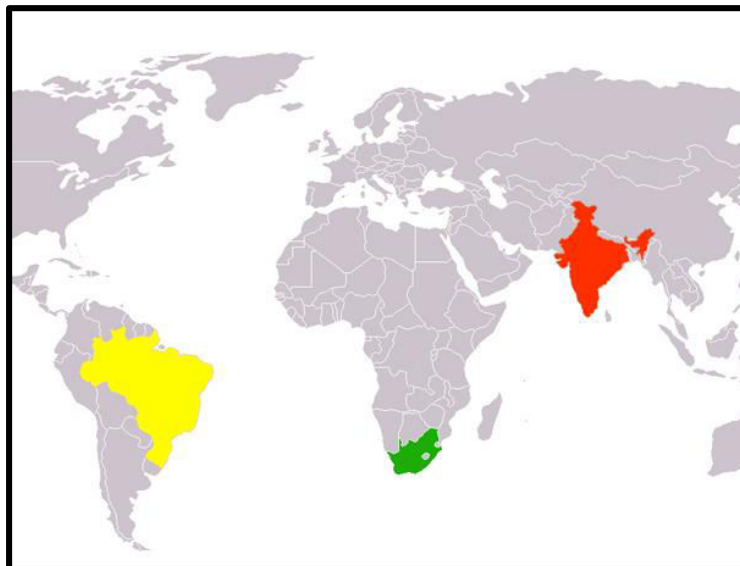
##### ▪ Collaboration:

##### ○ Joint Naval Exercise:

- **IBSAMAR (IBSA Maritime Exercise)** is an important part of IBSA trilateral defence cooperation.

##### ○ IBSA Fund:

- Established in 2004, **IBSA Fund (India, Brazil and South Africa Facility for Poverty and Hunger Alleviation)** is a unique Fund through which development projects are executed with IBSA funding in fellow developing countries.
- The fund is managed by the **United Nations (UN) Office for South-South Cooperation (UNOSSC)**.



#### How can IBSA Contribute to Global Digital Governance?

##### ▪ Potential of IBSA:

##### ○ Digital inclusion:

- Digitalisation is driving growth in the IBSA economies.



- **The three countries have spearheaded digital inclusion by prioritising affordable access to citizens**, supporting training for digital skills, and creating a legal framework for the growth of small digital enterprises. India leads the way, with a vibrant digital economy.
- **Data Governance:**
  - **India's G-20 presidency** aims to take strategic leadership with practical initiatives, such as a **self-evaluation of nations' data governance architecture**, modernisation of national data systems to regularly incorporate citizen voices and preferences, and transparency principles for governing data.
  - With a big population, **IBSA countries** also see data as a **national resource**.
- **Issues:**
  - **Geopolitical Rivalry:**
    - **Satellite collisions, cyber-resilience and security of space services, exploration of space resources** has increased competition between countries with a potential of **weaponization of outer space**.
    - **Also, semiconductors** are at the centre of the geopolitical battle between the US and China.
  - **Sovereignty vs Integration:**
    - The Foundation observes that **many countries will have to balance data sovereignty and integration** in the global economy.
    - Free flow of data will **be essential for small and export-oriented economies**.

#### Way Forward

- **Collaborate with Other Countries & Organizations:** IBSA countries should work together and with other nations and **international organizations** to develop **global standards for digital governance**, data protection, and cybersecurity.
- **Develop a Common Strategy:** IBSA countries should develop a common strategy on digital governance and work towards a **shared vision of a global digital economy that prioritizes digital inclusion, data privacy, and security**.
  - This strategy should be based on their shared values and principles, such as **respect for human rights, democracy, and the rule of law**.

## 35. NORTH ATLANTIC TREATY ORGANIZATION (NATO):

NATO is a military alliance founded in 1949 by the US, Canada, and Western European states to offer collective protection against the Soviet Union. Currently, there are 30 member countries, with Greece, Turkey, West Germany, Spain, Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, Slovenia, Albania, Croatia, Montenegro, and North Macedonia joining the original signatories.

#### What is NATO?

- **North Atlantic Treaty Organization (NATO)** is a **military alliance established by the North Atlantic Treaty** (also called the **Washington Treaty**) of **April, 1949**, by the United States, Canada, and several Western European nations to provide collective security against the **Soviet Union**.
- There are currently **30 member states**.
  - Its original members were Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, the United Kingdom, and the United States.
  - Joining the original signatories were **Greece and Turkey (1952), West Germany (1955, from 1990 as Germany), Spain (1982), the Czech Republic, Hungary, and Poland (1999), Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia (2004), Albania and Croatia (2009), Montenegro (2017), and North Macedonia (2020)**.
  - France withdrew from the integrated military command of NATO in 1966 but remained a member of the organization, it resumed its position in NATO's military command in 2009.
    - Recently, **Finland and Sweden** have shown interest to join NATO.
- **Headquarters:** Brussels, Belgium.
- **Headquarters of Allied Command Operations:** Mons, Belgium.

#### Objectives of NATO:



- Safeguarding freedom and security of members through political and military means.
- Promoting democratic values and preventing conflicts.
- Resolution of disputes through diplomacy or military power if necessary.

#### **Functioning of NATO:**

- Integrated military command structure, but most forces under national command.
- Decision-making by unanimous consensus.
- NATO's protection excludes members' internal issues.

#### **Origins and Russia's Concerns:**

- Founded after WWII with Western Europe's economic and military weakness.
- Russia sensitive to NATO expansion toward its borders.
- Promises made regarding NATO's eastward expansion led to concerns.

#### **Alliances of NATO:**

- Participates in alliances like Euro-Atlantic Partnership Council, Mediterranean Dialogue, and Istanbul Cooperation Initiative.
- Enhancing influence beyond member countries.

#### **Recent NATO Summit Highlights:**

- Ukraine's potential NATO membership discussed.
- NATO-Ukraine Council launched for crisis consultations.
- Focus on enhanced defense capabilities.
- Inclusion of Finland and Sweden.
- Turkey's shifting stance.
- US support for NATO and Ukraine.
- Concerns about China's threats and Indo-Pacific developments.
- Russia's persistent challenges.

#### **India and NATO:**

- India historically aligned with Russia.
- Increasing efforts to engage with Europe and NATO.
- Pragmatic engagement needed for Indo-Pacific role.
- Russia's concerns must be managed.

#### **Analysis**

- The NATO Summit in Vilnius **underscored the alliance's renewed purpose in the face of Eastern Europe's conflict.**
- The inclusion of new members, such as Finland and Sweden, demonstrated **NATO's commitment to Article 10 of the Washington Treaty**, inviting European countries to join. Turkey's shift in stance reflected a desire to improve relations with the U.S.
- U.S. President Biden's support for NATO and Ukraine assured the alliance of unwavering backing and showcased a bipartisan consensus on Ukraine domestically.
- The summit's **recognition of China's threats and the growing importance of the Indo-Pacific region demonstrated NATO's evolving focus on global security challenges.**
- However, Russia's unyielding approach in launching attacks amid the summit highlights the ongoing contestation over Eurasian security, which will continue to shape NATO's future and its role in addressing international conflicts.

#### **b. ISSUES WITH THE NATO EXPANSION:**

When Russia launched a **military invasion of Ukraine**, the purported reason behind this act of territorial aggression was the eastward expansion of the **North Atlantic Treaty Organisation (NATO)**.

- The expansionism of NATO **threatened at some undefined point in the future to allow Ukraine to join the grouping** as a treaty ally and thus bring this transatlantic security coalition within striking distance of Russia's western borders.
- Earlier, an emergency special session was convened by the **United Nations General Assembly (UNGA)** for discussing a resolution that called for Russia to unconditionally withdraw its troops.

#### **Why is Russia Sensitive to NATO expansion?**

- In 2008, in the week leading up to **NATO's Bucharest Conference**, NATO Allies **welcomed Ukraine's and Georgia's Euro-Atlantic aspirations for membership** and agreed that these countries will become members of NATO.
- They went on to announce a period of intensive engagement with both countries at a high political level to address the questions still outstanding regarding their **Membership Action Plan applications**.
- This set off alarm bells in Russia, because **even the very concept of Ukraine, a nation considered to hold strong historic ties first to the Soviet Union, was against Russia's belief**.
- This development prompted **Russia to warn the US that no Russian leader could stand idly by in the face of steps toward NATO membership for Ukraine**.
- That would be a **hostile act toward Russia**.
  - This was only **among the more recent of a long list of actions by NATO leaders that Russia considers a political betrayal**.

#### **Did NATO Violate a Promise to Avoid Expansion?**

- In 1990 the US informed Russia that **there would be no extension of NATO's jurisdiction for forces of NATO one inch to the east**.
  - While **Russia seized upon this comment to fuel its ostensive outrage at NATO expansion** into the Baltic states region.
  - It is a fact that in early 1990, the locus of the diplomacy for the **Two Plus Four** – including East and West Germany plus the United States, France, the Soviet Union, and the United Kingdom – **agreement was whether a unified Germany would be part of NATO**.
- The US wanted to **reassure Russia that NATO command structures and troops would not be transferred to the territory of the former German Democratic Republic**.
- It was a difficult time in Russia, domestically, because in **the aftermath of the Soviet Union's dissolution, there was a failure to institutionalise democratic practices, a stable market economy, and a robust law and order system**.
- Facing all manner of chaos at home, erstwhile Russia began to interpret the **Two Plus Four Treaty** (Treaty on the final settlement with respect to Germany, 1990) **as a ban on NATO expansion east of Germany**.
- Russia informed the US that it ruled out "the option of expanding NATO territory eastward."
- Through the 2000s, Russia carried on in this vein, speaking with increasing alarm and anger at **NATO's steady expansion into Eastern Europe**, and saying in Munich, Germany in 2007 that **it is obvious that NATO expansion does not have any relation with the modernisation of the alliance** itself or with ensuring security in Europe.
  - On the contrary, it represents a serious provocation that reduces the level of mutual trust.
- In 2008, following NATO announcement of its intent to admit Georgia and Ukraine into its alliance, **Russia invaded Georgia and took control of several of its territorial regions**, and in 2014, with Ukraine drifting closer towards an economic alliance with the **European Union, Russia marched into Ukraine and seized Crimea**.

#### **c. INDIA AND NATO: WHY DID INDIA PREVIOUSLY AVOID INVOLVEMENT WITH NATO?**

- **Fail to think strategically:** The main issue for India is not NATO, but rather its inability to think strategically about Europe.
- **Alignment with Russia:** Calcutta and Delhi saw Europe through British eyes throughout the colonial era, but after independence, they saw it through Russian eyes.
  - The fall of the Berlin Wall and the demise of the Soviet Union necessitated a new approach, but Delhi was unable to commit the strategic attention that Europe required.

- **Need for de-hyphenation policy towards Russia & West:** Delhi has begun to create an autonomous European framework in recent years, but it still has a long way to go in terms of consolidation.

#### Why should India engage with NATO?

- India's reluctance during the Cold War was based on its non-alignment.
- That argument was no longer valid once the Cold War ended in 1989-91.
- An India-NATO discussion would simply imply frequent interaction with a military alliance, the majority of whose members are long-standing partners of India.
- It makes little sense for Delhi to eschew cooperation with NATO if it is determined to bring a reluctant Russia into Indo-Pacific negotiations.
- Why should talking to NATO be frowned upon if Delhi conducts military drills with China and Pakistan under the auspices of the Shanghai Cooperation Organization (SCO)?
- Europe and NATO require partners like India, Australia, and Japan to play any role in the Indo-Pacific.

A pragmatic engagement with NATO must be a key component of India's new European orientation, particularly as the continent seeks a new position in the Indo-Pacific. Continued Indian unwillingness to engage a major European institution like NATO will be a startling example of strategic self-denial, something that we should avoid.

## 36. SHANGHAI COOPERATION ORGANISATION (SCO):

The Shanghai Cooperation Organisation (SCO) is a permanent intergovernmental international organisation. The Shanghai Cooperation Organisation Charter was signed in June 2002 and it entered into force on 19 September 2003.

#### a. OBJECTIVES AND PRINCIPLES:

- To deal with extremism, radicalism, drug trafficking and counter terrorism.
- Promote economic security by trade, connectivity and financial inclusion.
- Its aim was to counter the USA and showcase eastern values of mutual respect and plurality.
- SCO consist almost 30 percent of the global GDP and 40 percent of the global population.
- It is based on the SHANGHAI SPIRIT of good neighbourliness which include non-interference, consensus, harmony, respect for culture and non-alignment

The visit of Chinese and Russian defence ministers to attend a ministerial meeting of the **Shanghai Cooperation Organisation (SCO)** in Delhi is attracting attention. India, as the chair of the organisation, has several bilateral issues to discuss with fellow SCO members such as **de-escalation of border confrontation** with China and **supply of Russian spares and arms to India** amidst the war in Ukraine.

Many countries are queuing up to join the SCO, which is inclusive and highlights the rise of non-Western security institutions. However, despite growing interest in the SCO from regional states, **internal contradictions within the organisation are casting a shadow** over its strategic coherence.

#### Who are the Members?

##### ▪ Membership:

- The SCO has eight members, including China, India, Kazakhstan, Kyrgyzstan, Pakistan, Russia, Uzbekistan, and Tajikistan. Iran is set to join the SCO.

##### ▪ Observers:

- Afghanistan, Belarus, and Mongolia are observers who would like to follow Tehran.

##### ▪ Dialogue Partners:

- The list of current and incipient dialogue partners includes Azerbaijan, Armenia, Egypt, Qatar, Turkey, Saudi Arabia, the United Arab Emirates,



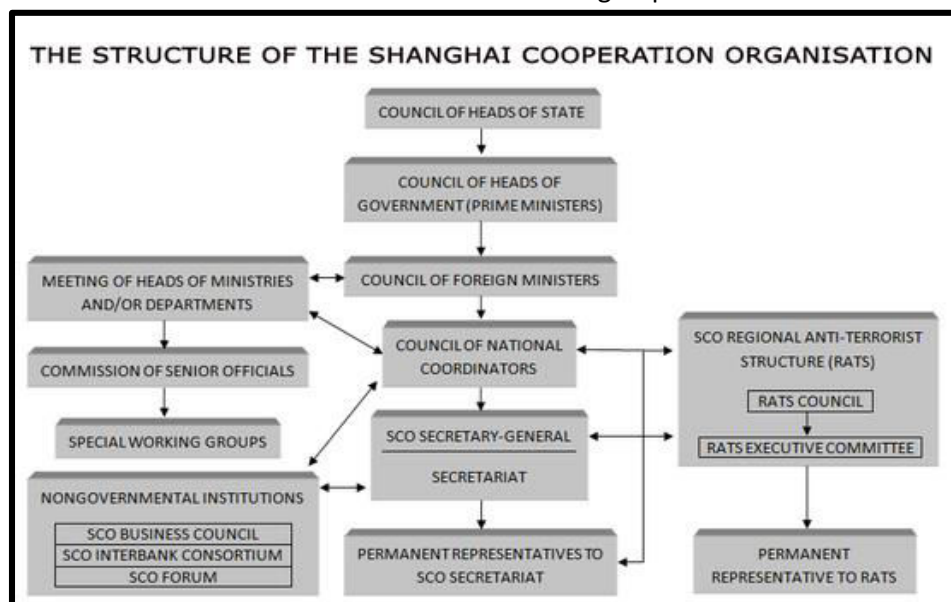
Maldives, Nepal, and Sri Lanka.

### What are the Conflicts Among Member Countries of SCO?

- **Conflicts Exist Between:**
  - **India and China over Border Issues:**
    - After the 18<sup>th</sup> round of India- China Corps Commander Level Meeting still there is no breakthrough in easing tensions.
  - **India and Pakistan over Terrorism:**
    - State sponsored terrorism is cause of tension between India and Pakistan.
    - Frequent cease fire violations on India Pakistan border is another cause of concern.
  - **Kyrgyzstan and Tajikistan over Border Issues:**
    - The escalation of conflict between the two countries, as witnessed on September and then again in November 2022, has been a troubling development for the region.
    - The conflict has the potential to cause a negative impact on the stability of Central Asia and its neighbouring regions.
  - There are several conflicts between Taliban-led **Afghanistan and Pakistan** which makes the border area of the two countries unstable.
  - The SCO's **main objective is to promote peace in Eurasia**, but its ability to cope with intra-state and inter-state conflicts among member states is under scrutiny.

### What are the Challenges?

- **China's Rise:**
  - China's rise is increasing the prospects for China's emergence as the dominant force in inner Asia.
  - This has led to **external pressures from** other regional powers, such as the **United States**, which has sought to contain China's rise and limit its influence in the region.
- **Limited institutional mechanisms:**
  - While the SCO has a number of bodies, such as the **Council of Heads of State, the Council of Ministers of Foreign Affairs, and the Council of National Coordinators**, these bodies **lack the formal decision-making and enforcement powers** that are necessary for effective governance.
  - SCO lacks a formal mechanism for resolving disputes between member states.



- **Divergent Interests and Disagreements:**
  - The SCO includes member states with **different political systems, economic models, and strategic priorities** such as **CPEC**, border infrastructure projects etc., which can lead to internal conflicts and disagreements on issues such as economic cooperation and security.
- **Limited geographical scope:**
  - The SCO's geographical focus is **limited to Eurasia and neighboring regions**, which restricts its ability to **engage with global issues** and challenges.

▪ **Western skepticism and criticism:**

- The SCO faces **criticism from Western countries** for its **lack of democratic credentials**, its **support for authoritarian regimes**, and its **internal conflicts** and border disputes among members.

**What is the Importance of SCO for India?**

▪ **Economic Cooperation:**

- The SCO provides a platform for India to enhance economic cooperation with Central Asian countries, which have vast reserves of natural resources.
- India is seeking to increase its **trade and investment ties with the SCO countries** to diversify its economic partnerships.

▪ **Energy Security:**

- Central Asia has **vast reserves of oil and gas**, and India is looking to tap into these resources to enhance its **energy security**.
- The SCO **provides a forum** for India to **engage with the energy-rich countries** of Central Asia and explore opportunities for cooperation in the energy sector.
- The **Samarkand Declaration**, signed at the **22<sup>nd</sup> Summit**, centralizes **connectivity which is a priority for India**, as well as **energy and food security**.

▪ **Cultural Cooperation:**

- The **total Cultural Heritage of the SCO** member states, observers and partners include **207 UNESCO World Heritage Sites**.
- SCO member countries have decided to designate **one city (from SCO member countries) as tourism and cultural capital every year** under a rotating initiative.
- **"Kashi" (Varanasi)** has been designated as the **first cultural capital of the SCO** under this initiative.

▪ **Counterterrorism:**

- The SCO has a **strong focus** on counterterrorism cooperation.
- India, which has been a victim of terrorism, can benefit from the collective efforts of the organization to **combat terrorism** in the region.

**What is the Significance of the SCO?**

▪ **Economic Cooperation:**

- The **eight member countries** of SCO **represent around 42% of the world population and 25% of the global GDP**. There is an immense tourism potential in the region which can be promoted by increasing awareness about SCO countries.

▪ **Connectivity:**

- The SCO is **promoting connectivity** among its member states through infrastructure projects, including the **China-Pakistan Economic Corridor (CPEC)** and the **International North-South Transport Corridor (INSTC)**.

▪ **Security Cooperation:**

- The main threats which are the **focus of the SCO include terrorism, separatism and extremism**.
- **Regional Anti-Terrorist Structure (RATS)** to **promote cooperation among member states in the fight against terrorism, separatism, and extremism**.
- RATS provides a platform for **sharing intelligence, conducting joint exercises and operations**, and coordinating actions to prevent and combat terrorism in the region.

**Conclusion**

- The SCO is an **attractive forum for regional states**, but its **internal contradictions** are a **cause for concern**. Preventing conflict between member states is a higher priority for the SCO, but its record here is not impressive. While **China's growing regional influence may come at Russia's expense**, Russia and China have **drawn closer than ever** before and have little reason to quarrel over Central Asia. Russia's muscle and China's money provide a sensible basis for their strategic division of labour in Central Asia to keep the Western powers out of the region.

**a. SCO MEETING:**

### 23rd SCO Summit Highlights:

- Iran joins as the ninth member of SCO.
- **Theme:** 'Towards a SECURE SCO,' encompassing Security, Economic development, Connectivity, Unity, Respect for sovereignty and territorial integrity, and Environmental protection.

### Key Summit Outcomes:

- **New Delhi Declaration:** Member nations unite against terrorism, separatism, extremism, and intolerance.
- **Joint Statements:** Cooperation in countering radicalization and digital transformation.
- **New Pillars of Cooperation:** India introduces five areas: Startups and Innovation, Traditional Medicine, Youth Empowerment, Digital Inclusion, and Shared Buddhist Heritage.
- **India's Reservations on BRI:** India abstains from the Belt and Road Initiative (BRI) endorsement due to concerns about projects in Pakistan-occupied Kashmir (POK).
- **Indian PM's Address:** Emphasizes connectivity for mutual trade but underscores SCO's fundamental principles of sovereignty and regional integrity.
- **Chinese President's Perspective:** Celebrates BRI's ten-year anniversary, promotes a Global Security Initiative, advocates independent foreign policies, and opposes a new Cold War.
- **Russian President's Remarks:** Addresses anti-Russian sentiment in Ukraine, highlights Russia's resilience against external pressures, sanctions, and provocations.

The SCO Summit underscores the importance of unity in addressing terrorism, extremism, and regional stability while emphasizing the need for cooperative efforts in various sectors, including digital transformation, innovation, and traditional medicine.

## 37. QUAD:

The Quadrilateral Security Dialogue, commonly known as the Quad, is a strategic forum that brings together four democratic nations in the Indo-Pacific region: the United States, Japan, Australia, and India. The Quad was initially formed in 2007 but gained renewed prominence in recent years as a platform for dialogue and cooperation on issues of common interest

### a. OBJECTIVES:

- The initiative for strategic and significant sea routes in the Indo-Pacific region to be free from any influence.
- To secure a rules-based global order, a liberal trading system, and freedom of navigation.
- To work against predatory trade and economic policies.
- To offer financial help to nations with debt in the Indo-Pacific region.

### b. IMPORTANCE OF QUAD FOR MEMBERS:

- **Enhancing Regional Security:** By coordinating their approaches, sharing intelligence, and conducting joint military exercises, the Quad countries aim to address common security challenges, including maritime security, terrorism, and non-proliferation of weapons of mass destruction.
- **Promoting Free and Open Indo-Pacific:** Member countries share a common vision of upholding international law, respect for sovereignty, freedom of navigation, and peaceful resolution of disputes.
- **Economic Cooperation and Development:** By aligning their strategies, fostering trade and investment, promoting connectivity, and supporting infrastructure development, the Quad aims to promote economic growth, create opportunities for businesses, and enhance prosperity in the region.
- **Humanitarian Assistance and Disaster Response:** By pooling their resources, expertise, and capabilities, they can effectively respond to natural disasters, provide timely assistance to affected countries, and strengthen regional resilience.
- **Values and Democracy:** The Quad members share a commitment to democratic values, human rights, and the rule of law. They aim to promote these principles in the Indo-Pacific region

### c. QUAD AS COUNTERBALANCE TO CHINA:



- The Quad is seen as a mechanism to collectively address the concerns of an increasingly assertive China in the Indo-Pacific region.
- The Quad countries, through joint naval exercises and patrols, affirm their commitment to upholding international law and freedom of navigation, thus serving as a deterrent to any attempts by China to restrict access to international waters.
- The Quad countries have recognized the need for resilient and diversified supply chains, especially in critical sectors such as technology, pharmaceuticals, and rare earth minerals

#### d. ISSUES:

- **Dependency on China:** All QUAD members have overwhelming economic dependence on China.
  - For ex: 38% of Australian exports are to china. China is also the biggest trading partner of all QUAD members.
- **Different Capabilities And Capacity:** 4 members have different military and economic resources. There is lack of consensus among members regarding role and responsibilities of members.
- **Different Priorities:** India's focus is on Indian Ocean Region but other 3 members are focused on pacific ocean.
- **Naming Dilemma:** members are reluctant to name China as main strategic adversary due to huge economic interdependence.

#### Way forward:

- **Centrality of ASEAN:** QUAD members should accept this principle as it will reject the centrality of china as well as will enhance credibility and legitimacy of QUAD.
  - **Quad Plus:**
    - The membership can be increased to include countries like Vietnam, New Zealand, South Korea etc, who share similar interests.
    - European countries UK and France who have naval bases in the region can also be incorporated in expanded QUAD.
  - **Deepen Security Cooperation:** The Quad should continue to enhance its security cooperation through regular dialogues, joint military exercises, and information sharing
  - **Address Non-Traditional Security Challenges:** The Quad should actively collaborate on addressing non-traditional security challenges, such as climate change, maritime security, cyber threats, and public health crises
- Through their collaboration within the Quad, these countries aim to shape regional developments, safeguard their interests, and contribute to a peaceful, stable, and prosperous Indo-Pacific region.

#### e. QUAD SUMMIT:

2023 Quad Summit was held recently on the side lines of the G7 Summit in Hiroshima.

#### Key Outcomes of the Summit

- **'Quad Infrastructure Fellowships Programme':** To support policymakers and practitioners in the region to design, build and manage sustainable and viable infrastructure in their countries.
- **Partnership for Cable Connectivity and Resilience:** To leverage Quad's collective expertise in the design, manufacturing, laying, and maintenance of undersea cables.
- Quad support for a small-scale Open Radio Access Networks(ORAN) deployment in Palau, the first in the Pacific region.
- India to host next Quad summit in 2024.

## 38. EASTERN ECONOMIC FORUM

### (EEF):

Recently, Russia hosted the 7<sup>th</sup> Eastern Economic Forum (EEF) at Vladivostok.

- The forum is a platform for entrepreneurs to expand their businesses into **Russia's Far East (RFE)**.





### What is the Eastern Economic Forum?

#### ▪ **About:**

- The EEF was established in 2015 to encourage **foreign investments in the RFE**.
- The EEF displays the **economic potential, suitable business conditions and investment opportunities** in the region.
- Agreements signed at the EEF increased from **217 in 2017 to 380 agreements in 2021, worth 3.6 trillion roubles**.
- The agreements focus on **infrastructure, transportation projects, mineral excavations, construction, industry and agriculture**.

#### ▪ **Key Players:**

- China, South Korea, Japan and India are the Key Players in the region, where China is the biggest investor.
  - China who sees potential in promoting the **Chinese Belt and Road Initiative (BRI)** and the **Polar Sea Route** in the RFE.
  - China's investments in the region **account for 90% of the total investments**.

#### ▪ **Objectives:**

- Russia has strategically developed the region with the **aim of connecting Russia to the Asian trading routes**.
- With the fast modernisation of cities like Vladivostok, Khabarovsk, Ulan-Ude, Chita and more, Russia aims to **attract more investments** in the region.
- To **survive the economic crisis and the sanctions** with the help of China and other Asian powers.

### What is the Significance of the RFE?

- The region encompasses **one-third of Russia's territory and is rich with natural resources** such as fish, oil, natural gas, wood, diamonds and other minerals.
- The small population living in the region is another factor for encouraging people to move and work in the Far East.
- The region's riches and resources **contribute to 5 % of Russia's GDP (Gross Domestic Product)**.
  - But despite the abundance and availability of materials, **procuring and supplying them is an issue** due to the unavailability of personnel.
- The RFE is **geographically placed at a strategic location**, acting as a **gateway into Asia**.

### What does India Seek at the Forum?

- **India** seeks to expand **its influence in the RFE**. During the forum, India expressed its **readiness in expanding trade, connectivity and investments** in Russia.
- India is keen to **deepen its cooperation in energy, pharmaceuticals, maritime connectivity, healthcare, tourism, the diamond industry and the Arctic**.
  - In 2019, India offered a **USD 1 billion line of credit to develop infrastructure in the region**.
- Through the EEF, **India aims to establish a strong inter-state interaction** with Russia.
  - Business representatives of Gujarat and the Republic of Sakha (Russia) have **launched agreements in the diamond and pharmaceuticals industry**.

### How does India act at Balancing Between the EEF and IPEF?

- Since the coming together of countries like Myanmar, Armenia, Russia, and China for EEF seems like the forming of an **Anti-Sanctions Group** in the international order, India has vested interests in both the forums, EEF and **IPEF (U.S.-led Indo-Pacific Economic Framework)**.
- India has **not shied away from investing** in the Russia-initiated EEF despite the current international conditions, where western countries impose Sanctions on Russia.
- At the same time, India has given **its confirmation and acceptance to three of the four pillars in the IPEF**.
- India understands the benefits of being involved in the development of the RFE but it **also perceives the IPEF as a vital platform to strengthen its presence in the Indo-Pacific region**.
- The IPEF also presents an ideal opportunity for India to act in the region, without being part of the China-led **Regional Comprehensive Economic Partnership** or other regional groupings like the **Comprehensive and Progressive Agreement for Trans-Pacific Partnership**.

## 39. INDIA IN ARCTIC:

Recently, the Ministry of Earth Science has unveiled **India's Arctic Policy**, titled '**India and the Arctic: building a partnership for sustainable development**'.

- India holds one of the 13 positions as the Observer in the **Arctic Council**.
- The **Arctic Council** is an **intergovernmental body** that promotes research and facilitates cooperation among Arctic countries on issues related to the **environmental protection and sustainable development of the Arctic region**.

### What is the Background?

- India's engagement with the Arctic began when it signed the **Svalbard Treaty in 1920** in Paris between **Norway, the US, Denmark, France, Italy, Japan, the Netherlands, Great Britain, and Ireland, and the British overseas Dominions and Sweden** concerning Spitsbergen.
  - **Spitsbergen** is the largest island of the **Svalbard archipelago**, part of Norway, in the Arctic Ocean.
  - Spitsbergen is the **only permanently inhabited part of Svalbard**. More than 50% of the land is covered in ice year-round. Together with the glaciers, it is mountains and fjords that define the landscape.
    - Ever since then, India has been closely monitoring all the developments in the Arctic region.
    - India initiated its **Arctic research program in 2007 with a focus on climate change** in the region.
  - The **objectives included studying** teleconnections between Arctic climate and **Indian monsoon**, to characterise sea ice in the Arctic using satellite data, to estimate the effect on global warming.
    - India also **focuses on conducting research on the dynamics and mass budget of Arctic glaciers and sea-level changes**, carrying out an assessment of the flora and fauna of the Arctic.

### What are the Major Provisions of India's Arctic Policy?

- **Six Central Pillars:**
  - Science and research.
  - Environmental protection.
  - Economic and human development.
  - Transportation and connectivity.
  - Governance and international cooperation.
  - National capacity building.
  - **Objectives:**
    - It aims to **strengthen national capabilities and competencies** in science and exploration, climate and environmental protection, maritime and economic cooperation with the Arctic region.
    - It seeks to **strengthen institutional and human resource capacities** within the government and academic, research and business institutions through inter-ministerial coordination in pursuit of India's interests in the Arctic.
    - It seeks to **enhance understanding of the impact of climate change in the Arctic region** on India's climate, economic and energy security.
    - It aims to **promote better analysis, prediction and coordinated policymaking on the implications of ice melting** in the Arctic on India's economic, military and strategic interests related to global shipping routes, energy security and exploitation of mineral wealth.
    - It seeks to study the **linkages between polar regions and the Himalayas** and **deepen the cooperation between India and the countries of the Arctic region** under various Arctic forums, drawing expertise from scientific and traditional knowledge.
    - The policy also seeks to **increase India's participation in the Arctic Council and improve understanding of the complex governance** structures in the Arctic, relevant international laws and geopolitics of the region.
- **Relevance of Arctic for India**
  - The Arctic region is significant due to the **shipping routes that run through it**.
  - According to an analysis published by the Manohar Parrikar Institute for Defence Studies and Analyses, the adverse effects of the Arctic are not just impacting the availability of mineral and hydrocarbon resources, but also transforming global shipping routes.
    - According to the Ministry of External Affairs, **India can play a constructive role in securing a stable Arctic**.

- The region holds immense geopolitical importance as the Arctic is projected to be ice-free by 2050 and world powers making a beeline to exploit the region rich in natural resources.

### What is the Arctic?

- The Arctic is a polar region located at the northernmost part of Earth.
- Land within the Arctic region has seasonally varying snow and ice cover.
- It consists of the Arctic Ocean, adjacent seas, and parts of Alaska (United States), Canada, Finland, Greenland (Denmark), Iceland, Norway, Russia, and Sweden.

### Way Forward

- India's Arctic Policy is timely and is likely to provide a direction to India's policy-makers on contours of India's engagement with the region.
- It is the first step towards developing a whole-of-government approach on India's engagement with the region.
- The Policy is also likely to raise awareness about the Arctic within India and vice-versa through conduct of programmes, seminars and events in India and in the Arctic.
- However, India must also officially appoint an 'Arctic ambassador/representative' who will represent and voice India's perspectives on Arctic affairs.
- Constituting a dedicated expert committee to plan, monitor, steer, implement and review India's Arctic policy may help streamline the country's approach in a better manner.



## 40. BRICS:

BRICS is an association of five major and emerging economies consisting of Brazil, Russia, India, China, and South Africa. The term was coined in 2001 by Jim O'Neill, an economist at Goldman Sachs. The BRICS countries represent diverse regions and continents and are characterized by their significant populations, economic potential, and growing global influence. The formation of BRICS aims to promote economic cooperation, political dialogue, and strategic partnerships among its member countries.

**Core Objective Of BRICS:** The BRICS grouping aims to promote security, peace, development and cooperation. It also has a goal to contribute significantly to the development of humanity and establishing a more equitable and fair world.

- Representing around 41% of the global population, 30% of the global tertiary, around 24% of the global GDP, and around 16% of global trade.
- As per the data given by the U.K.-based economic research firm Acorn Macro Consulting the BRICS members comprise 31.5% share of world GDP (PPP) in comparison to 30.7% of G7
- India's total trade with the BRICS countries was \$110 billion in 2019-20 and it rose to \$113.3 billion in 2020-21.

### a. ISSUES AND CHALLENGES OF BRICS:

The 13<sup>th</sup> BRICS summit 2021 is set to be held in digital format under India's chairmanship. This plurilateral grouping comprising Brazil, Russia, India, China and South Africa is chaired by turn. India held the chair in 2012 and 2016 too. The grouping succeeded up to a point but it now confronts multiple challenges. It is high time to identify the challenges and take some steps forwards.

### Significance of BRICS

- **Big Five Nations:** Launched by a meeting of the Foreign Ministers of Brazil, Russia, India and China in 2006 and riding on the political synergy created by regular summits since 2009, BRIC turned itself into BRICS in 2010, with the entry of South Africa.
  - The importance of BRICS is self-evident: it represents **42% of the world's population, 30% of the land area, 24% of global GDP and 16% of international trade.**
- **Bridge Between North and South:** The grouping has gone through a reasonably productive journey. It strove to serve as a bridge between the Global North and Global South.
- **Common Global Perspective:** The BRICs called for the reform of multilateral institutions in order that they reflect the structural changes in the world economy and the increasingly central role that emerging markets now play.
- **Development Cooperation:** It developed a common perspective on a wide range of global and regional issues; established the **New Development Bank (NDB)**; created a financial stability net in the form of **Contingency Reserve Arrangement**; and is on the verge of setting up a Vaccine Research and Development Virtual Center.

### Challenges With the BRICS

- **Marred by Various Issues:** Group has seen conflicts such as China's aggression in eastern Ladakh last year brought India-China relations to their lowest point in several decades.
  - There is also the reality of the strained relations of China and Russia with the West, and of serious internal challenges preoccupying both Brazil and South Africa.
  - On the other hand, China's image at global level has also been tarnished due to the Covid-19. In this backdrop, it is questionable whether BRICS matter or not.
- **Heterogeneity:** It is claimed by critics that heterogeneity (variable/diverse nature of countries) of the BRICS nations with its **diverse interests** possess a threat to the viability of the grouping.
- **China Centric:** All the countries in the BRICS group trade with China more than each other, therefore it is blamed as a platform to promote China's interest. Balancing trade deficit with China is a huge challenge for other partner nations.
- **Global Model for Governance:** Amidst, global slowdown, trade war and protectionism, the critical challenge for the BRICS consists in the development of a new global model of governance which should not be unipolar but inclusive and constructive.
  - The goal should be to avoid a negative scenario of unfolding globalization and to start a complicated merging of the global growing economies without distorting or breaking the single financial and economic continuum of the world.
- **Not Been Effective:** The five-power combine has succeeded, albeit up to a point. However, China's economic rise has created a serious imbalance within BRICS. Also the group has not done enough to assist the Global South to win their optimal support for their agenda.

### BRICS Priorities

- **Achieving Multilateralism:** The first is to pursue reform of multilateral institutions ranging from the **United Nations, World Bank** and the **International Monetary Fund** to the World Trade Organization and now even the **World Health Organization**.
  - This is not a new goal. BRICS has had very little success so far, although strengthening multilateralism serves as a strong bond as well as a beacon.
  - Reform needs global consensus which is hardly feasible in the current climate of strategic contestation between the U.S. and China and the devastation caused by Covid-19 to health, lives and livelihoods.
- **Resolve to Combat Terrorism:** Terrorism is an international phenomenon affecting Europe, Africa, Asia and other parts of the world. Tragic developments concerning Afghanistan have helped to focus attention sharply on this overarching theme, stressing the need to bridge the gap between rhetoric and action.
  - In this context, BRICS is attempting to pragmatically shape its counter-terrorism strategy by crafting the **BRICS Counter Terrorism Action Plan** containing specific measures to fight radicalisation, terrorist financing and misuse of the Internet by terrorist groups. This plan is expected to be a key deliverable at the forthcoming summit and may hopefully bring some change.
- **Promoting Technological and Digital Solutions** for the **Sustainable Development Goals (SDGs)**.

- Digital tools have helped a world adversely hit by the pandemic, and India has been in the forefront of using new technological tools to improve governance.
- **Expanding People-to-people Cooperation:** However, enhancing people-to-people cooperation will have to wait for international travel to revive. Interactions through digital means are not a full substitute of in person meetings.

### Way Forward

- **Cooperation Within the Group:** BRICS need to shed the centrality from China and create a better internal balance, reinforced by the urgent need for diversification and strengthening of regional value chains, all exposed during the pandemic.
  - Policymakers have been encouraging an increase in intra-BRICS cooperation in diverse areas like agriculture, disaster resilience, digital health, traditional medicine and customs cooperation.
- BRICS did well in its first decade to identify issues of common interests and to create platforms to address these issues.
  - For BRICS to remain relevant over the next decades, each of its members must make a realistic assessment of the initiative's opportunities and inherent limitations.
- **Commitment to Multilateral World:** BRICS nations need to recalibrate their approach and to recommit to their founding ethos. BRICS must reaffirm their commitment to a multi-polar world that allows for sovereign equality and democratic decision making.
- They must build on the success of the NDB and invest in additional BRICS institutions. It will be useful for BRICS to develop an institutional research wing, along the lines of the **OECD**, offering solutions which are better suited to the developing world.
- BRICS should consider a BRICS-led effort to meet their commitments under the **Paris Agreement** on climate change and the UN's sustainable development goals. This could include e.g. setting up a BRICS energy alliance and an energy policy institution.
- BRICS nations should strive for **peaceful and politico-diplomatic settlement of crisis** and conflict in various regions of the world.

### Conclusion

Thus, the future of BRICS depends on the adjustment of the internal and external issues of India, China and Russia. Mutual communication between India, China and Russia is important for moving ahead.

### b. 14TH BRICS SUMMIT:

Recently, Prime Minister of India attended the 14<sup>th</sup> BRICS summit which was virtually hosted by China.

- **Theme of the 14<sup>th</sup> BRICS Summit:** Foster High-quality BRICS Partnership, Usher in a New Era for Global Development.
- BRICS Plus virtual conference was also held as part of the main meeting **with ministers from countries, including the UAE, Saudi Arabia, Egypt, Kazakhstan, Indonesia, Argentina, Nigeria, Senegal, and Thailand.**

### What are the Key Highlights of the Summit?

- **Adopting the Beijing Declaration:**
  - It states that **BRICS supports talks between Russia and Ukraine.**
  - The grouping is willing to support the United Nations' and the **International Committee of the Red Cross's (ICRC)** efforts to deliver humanitarian aid to Ukraine.
  - Countries also expressed concerns about the situation in Taliban-held Afghanistan.
- **Discussions on the Issues:**
  - **Humanitarian Situation in Ukraine:**
    - Concerns over the humanitarian situation in and around Ukraine and expressed **their support to efforts of the UN Secretary-General, UN Agencies and International Committee of the Red Cross (ICRC) to provide humanitarian assistance** in accordance with the basic principles of humanity, neutrality and impartiality.
  - **Terrorism:**
    - While discussing terrorism and terror cooperation, the BRICS countries said that only the **UN Security council has the authority for imposing sanctions.**

- On Afghanistan, BRICS countries called for “**Afghanistan authorities to achieve national reconciliation** through dialogue and negotiation, and to establish a broad-based and inclusive and representative political structure”, adding that **Afghan territory must not be used to shelter terrorists or attack any other country.**
- **Initiative on Denial of Safe Haven to Corruption:**
  - The BRICS Initiative on **Denial of Safe Haven to Corruption** aims to further **strengthen anti-corruption capacity building** through education and training programs and **enhance anti-corruption exchanges and cooperation within multilateral frameworks.**
- **Framework for Consumer Protection in E-commerce:**
  - The declaration welcomed the establishment of the **Digital Economy Working Group** by upgrading the **E-commerce Working Group.**
  - And the BRICS nations have agreed to promote consumer protection in e-commerce by advancing the implementation of BRICS Framework for Consumer Protection in E-commerce.
- **More Focus on Combating Transnational Drug Trafficking:**
  - The summit also expressed concern over the serious drug situation in the world. BRICS declaration appreciate **BRICS Anti-Drug Working Group's active role in combating transnational drug trafficking and promoting global drug governance** and will further strengthen drug control cooperation.

#### Way Forward

- It is imperative for **BRICS countries to strengthen coordination within the frameworks of the G20, World Trade Organisation (WTO), World Bank and Important Institution International Monetary Fund( IMF).**
- BRICS should **strengthen coordination on macroeconomic policies and multilateral cooperation.**
- BRICS countries should make **full use of mechanisms including the internet for cultural and people-to-people exchanges and cooperation.**

#### c. NEW DEVELOPMENT BANK (NDB):

Recently, during **BRICS** (Brazil, Russia, India, China and South Africa) meet, India proposed that **NDB's (New Development Bank) scope be expanded** to strengthen **Social Infrastructure** besides promoting industry.

- **Social Infrastructure** includes the construction and maintenance of facilities that support social services such as healthcare, education, and housing.
- India is the **chair of the BRICS grouping** for 2021.

#### Key Points

- **About:**
  - It is a **multilateral development bank** jointly **founded by the BRICS countries** at the 6th BRICS Summit in Fortaleza, Brazil in 2014.
  - It was formed to **support infrastructure and sustainable development efforts in BRICS and other underserved, emerging economies** for faster development through innovation and cutting-edge technology.
  - It is **headquartered at Shanghai, China.**
  - In 2018, the NDB received observer status in the **United Nations** General Assembly, establishing a firm basis for active and fruitful cooperation with the UN.
  - **Objectives:**
    - Fostering development of member countries.
    - Supporting economic growth.
    - Promoting competitiveness and facilitating job creation.
    - Building a knowledge sharing platform among developing countries.
  - To fulfill its purpose, the Bank **supports public or private projects** through loans, guarantees, equity participation and other financial instruments.
- **Major Projects funded by NDB in India:**
  - It has committed funding to a number of **major infrastructure projects in India, including the Mumbai Metro rail, Delhi-Ghaziabad-Meerut Regional Rapid Transit System and many Renewable Energy projects.**
  - The NDB has so far approved 14 Indian projects for an amount of nearly USD 4.2 billion.
  - In 2020, India announced a **1 billion USD loan pact with NDB** to boost rural employment and infrastructure.

- **Achievements:**
- **Innovations:**
  - The NDB has managed to innovate in some areas, **such as lending in local currencies to protect borrowing countries from a stronger dollar**, which was one of its founding features.
  - Another innovation is that the **bank accepts parameters for compliance with environmental and social standards designed by borrowers**, respecting its members' own policies.
- **Partnership with other Development Banks:**
  - It has established partnerships with important development banks, such as Latin American regional development bank CAF, the China-led **Asian Infrastructure Investment Bank**, and the **World Bank group**.
- **AA+ Credit rating:**
  - The NDB's **credit rating** is AA+, one short of the maximum, which other development banks such as AIIB have. This is despite many of its members, notably Brazil and South Africa, facing tough economic times domestically.
- **Emission of Various bonds:**
  - The bank has successfully emitted a number of bonds — including **'green bonds'** in 2016 — and has now approved 42 projects in member countries for a total of over USD 12 billion, more than the AIIB's roughly USD 8 billion portfolio.
- **Issues:**
- **Less disbursement of Loans:**
  - Though the bank has approved over USD 12 billion in loans, it has disbursed less than USD 1 billion so far, that is a very low figure.
- **Political Turmoil:**
  - **Relations between China and India soured**, sanctions against Russia made it difficult to lend to Russian companies, and then there was political instability and economic crises in both South Africa and Brazil.
  - Continuing to advance the interests of the developing world in a rough political climate proved to be a hard task at which member countries don't seem to have excelled.
- **Issue of Sustainability:**
  - Though the NDB has recently approved loans for climate change mitigation and adaptation in Brazil and renewable energy in India, it has labelled a number of projects that are **environmentally questionable as sustainable, without explaining the criteria it uses**.
  - One of its sustainable projects is the paving of the **Trans-Amazonian highway in Brazil**, a highly controversial road that many environmentalists blame for exacerbating deforestation in the world's largest tropical rainforest.

### Way Forward

- **In the immediate future, there should be an emphasis on building healthcare capacities and national health preparedness for its member nations** and other vulnerable countries, with special support towards containment of the spread of Covid-19 and assistance for social and economic recoveries in terms of incomes and jobs.
- **From a medium-term perspective, investments for reinforcing urban resilience** in mega-cities and densely populated agglomerations for mitigation of adverse impacts of air pollution and adaptation to climate change needs to be the focus.
- In keeping with its current emphasis, **a medium to longer-run priority should be on lending support for renewable energy technologies** (solar, wind and biomass) to help improve their dissemination in the overall energy mix of the member nations of BRICS and elsewhere. In all of these endeavours, the Bank **could attempt to devise mechanisms to elicit public-private partnerships** for long-run financial sustainability.



#### d. BRICS EXPANSION:

- **Demand for Expansion:**

- **Global Influence:** Countries seek BRICS membership to enhance global influence and contribute to shaping global agendas.
- **Economic Opportunities:** Access to a large market and increased economic cooperation are attractive for countries joining BRICS.
- **Limited Options:** Some nations find BRICS an appealing collaboration option, especially if other major groups are inaccessible.
- **South-South Cooperation:** BRICS fosters dialogue and collaboration among Global South nations, offering a collective voice.
- **Counterbalance to Western Influence:** Membership counters Western dominance and advocates a more equitable global order.

- **Prospects for Expansion:**

- Growing interest from 19 countries, including Argentina, Egypt, Indonesia, the UAE, and Bangladesh, showcases BRICS' significance.

- **Criteria for New Member Admission:**

- **Economic Size and Potential:** New members should have a significant economy and growth potential.
- **Regional Representation:** Ensuring diverse regional representation and a broader geographic scope
- **Political Stability and Compatibility:** Alignment with BRICS' values, including democracy and human rights.
- **Commitment to Cooperation:** Demonstrating commitment to multilateralism and BRICS' principles.
- **Mutual Benefits:** New members should benefit existing ones through enhanced cooperation.
- **Consensus Among Existing Members:** Admission requires consensus among current BRICS countries.

Despite internal tensions, BRICS remains attractive to nations seeking to enhance their global standing and economic collaboration. Addressing internal imbalances and staying responsive to global dynamics can bolster BRICS' role in shaping the international order.

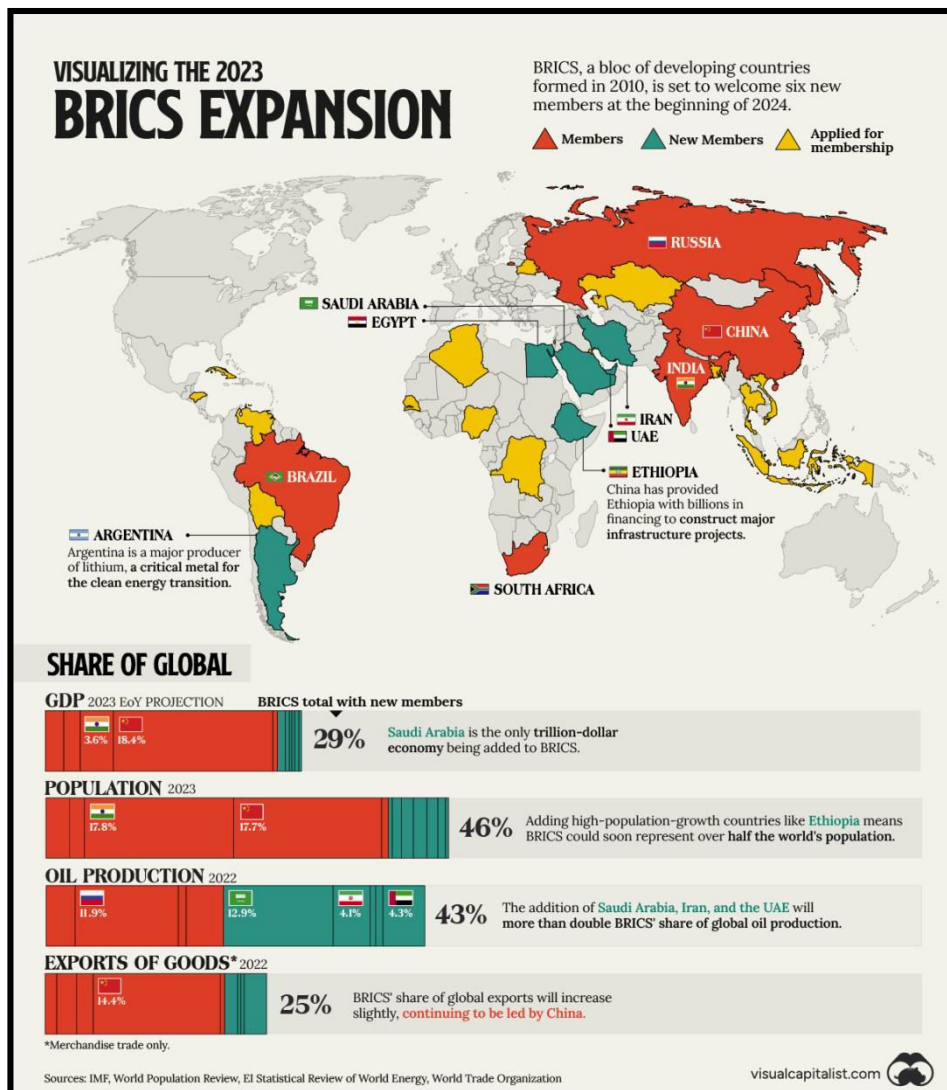
#### 41. ASEAN:

The Association of Southeast Asian Nations, or ASEAN, was established on 8 August 1967 in Bangkok, Thailand. ASEAN Declaration (Bangkok Declaration) was signed to bring ASEAN on force. 10 members are there in ASEAN.

- **Aims And Purposes:** As per the ASEAN Declaration, the aims and purposes of ASEAN are –

- To accelerate the economic growth, social progress and cultural development
- To promote regional peace and stability
- To maintain close and beneficial cooperation with existing international and regional organisations

#### a. FUNDAMENTAL PRINCIPLES:



- Mutual respect for the independence, sovereignty, equality, territorial integrity
- Sovereignty: The right of every State to lead its national existence free from external interference, subversion or coercion;
- Non-interference in the internal affairs of one another;
- Settlement of differences or disputes by peaceful manner;
- Effective cooperation among themselves.

#### b. IMPORTANCE OF ASEAN:

- **Economic Opportunities:** ASEAN is a dynamic economic region with a total GDP of over \$3 trillion. It offers vast trade and investment opportunities for India. Being a member of the ASEAN-India Free Trade Area (AIFTA), India benefits from reduced trade barriers and increased market access to ASEAN countries.
- **Strategic Importance:** ASEAN is a key player in the Indo-Pacific region and acts as a bridge between major powers. India recognizes the strategic importance of ASEAN in shaping the regional architecture and maintaining peace and stability.
- **Connectivity and Infrastructure Development:** ASEAN's focus on connectivity initiatives aligns with India's vision of enhancing physical and digital connectivity. Projects such as the India-Myanmar-Thailand Trilateral Highway and the Kaladan Multi-Modal Transit Transport Project promote regional integration, trade facilitation, and people-to-people exchanges.
- **Cultural Exchanges and Soft Power:** India shares historical and cultural linkages with ASEAN countries. Strengthening cultural exchanges, promoting tourism, and facilitating people-to-people contacts enhance mutual understanding and forge stronger bonds.
- **Regional Cooperation and Multilateralism:** ASEAN upholds the principles of regional cooperation, multilateralism, and a rules-based international order. As a dialogue partner of ASEAN, India actively participates in various ASEAN-led initiatives, such as the East Asia Summit (EAS) and the ASEAN Regional Forum (ARF).
- **Act East Policy:** ASEAN serves as a central pillar of India's Act East Policy, which aims to strengthen relations with Southeast Asian countries and deepen India's engagement in the region. By fostering close ties with ASEAN, India can leverage its geographical proximity and historical linkages to enhance economic integration, promote cultural exchanges, and expand its strategic influence in Southeast Asia

#### c. ISSUES AND CHALLENGES:

- **Disputes and Territorial Claims:** ASEAN member states have territorial disputes in the South China Sea, particularly with China. These disputes can create tensions within the organization and hinder the formation of a unified response.
- **Limited Institutional Capacity:** ASEAN's institutional capacity and decision-making processes are sometimes criticized for being slow, cumbersome, and lacking enforceability. The consensus-based decision-making approach can impede the organization's ability to take swift and decisive action, especially on sensitive or contentious issues.
- **Socioeconomic Disparities:** ASEAN member states vary significantly in terms of economic development and income disparities. Bridging these gaps and promoting inclusive growth and development within the region remains a challenge.
- **Logistic Challenges:** Challenges in establishing a supply chain, poor infrastructure, bad maritime and air connectivity, bureaucratic costs involved in complex tax and duty structures hamper FDI inflows and SMEs collaboration between India and ASEAN countries

#### Way forward:

- **Tackle External Influence:** Major powers, including China, the United States, and Japan, seek to exert influence within the ASEAN region, which can impact the organization's decision-making process and collective stance on regional issues.
- **Fill Infrastructure and Connectivity Gaps:** Enhancing regional connectivity and addressing infrastructure deficiencies are crucial for promoting economic integration and facilitating the movement of goods, services, and people within the region.

- **Remove Socioeconomic Disparities:** Addressing socioeconomic disparities and ensuring equitable distribution of benefits from regional integration are ongoing concerns for ASEAN which needs to be tackled effectively. Addressing these issues and challenges requires continued efforts from ASEAN member states to enhance institutional effectiveness, promote dialogue, build trust, and strengthen regional cooperation. By working together, ASEAN can overcome these challenges and achieve its goals of regional integration, peace, stability, and shared prosperity.

#### d. INDIA-ASEAN SUMMIT:

Recently, the Vice President of India attended the **19<sup>th</sup> ASEAN-India Summit** in Phnom Penh, Cambodia.

#### What are the Highlights of the Meeting?

- **Act East Policy:**
  - India hailed the **deep cultural, economic and civilizational ties that have existed between India and South East Asia** from time immemorial and stated that the India-ASEAN relationship forms the **central pillar of India's ACT-EAST policy**.
  - India reiterated **its support to ASEAN centrality** in the Indo-Pacific.
- **Comprehensive Strategic Partnership:**
  - ASEAN and India adopted a **joint statement** announcing the elevation of the existing **Strategic Partnership to Comprehensive Strategic Partnership**.
  - It reiterated the **commitment to enhance India-ASEAN cooperation** in various areas such as maritime activities, counter-terrorism, cyber security, digital economy, environment, science & technology, tourism, among other areas.
  - It proposes expediting the review of **ASEAN-India Trade in Goods Agreement (AITIGA)** to make it more user-friendly, simple, and trade-facilitative.
- **Peace and Security:**
  - Both sides reaffirmed the **importance of maintaining and promoting peace**, stability, maritime safety and security, freedom of navigation and overflight in the **Indo-Pacific region**.
- **Deepening Dialogue and Coordination:**
  - As part of maintaining "**ASEAN-Centrality**", the two sides reaffirmed the importance of deepening dialogue and coordination through ASEAN-led mechanisms including the ASEAN-India Summit, the East Asia Summit, the Post-Ministerial Conference with India (PMC+1), the ASEAN Regional Forum (ARF), the ASEAN Defense Ministers' Meeting-Plus (ADMM-Plus), the Expanded **ASEAN Maritime Forum (EAMF)**.

#### Way Forward

- ASEAN and India must reinforce the trade and investment relations.
  - India's trade with ASEAN has grown faster than India's trade with the world. India faces significant non-tariff barriers in ASEAN that also limit its export with the ASEAN.
- Current engagement in value chains between ASEAN and India is not substantial. ASEAN and India can leverage the emerging scenario and support each other to build new and resilient supply chains. However, to explore this opportunity, ASEAN and India must upgrade their skilling, improve logistics services and strengthen the transportation infrastructure.

## 42. Regional Comprehensive Economic Partnership (RCEP):

The Association of Southeast Asian Nations (Asean) and its free trade agreement (FTA) partners, including Japan, South Korea, China, Australia, and New Zealand, have agreed to the Regional Comprehensive Economic Partnership (RCEP).

It is a comprehensive agreement that addresses investment, competition, intellectual property, trade in goods and services, internet commerce, dispute resolution, economic and technical cooperation, and other concerns.

#### RCEP entered into force on 1 January 2022.

- The Peterson Institute for International Economics forecasts that by 2030, the RCEP's members' exports will increase by a net \$519 billion annually and their national incomes will rise by \$186 billion.

- Additionally, the RCEP is anticipated to assist its participants' overseas investment to rise by 2.6% by 2025.

#### a. WHY INDIA OPTED OUT OF AGREEMENT?

- **Market Access:** India expressed concerns regarding the potential influx of cheap Chinese goods into its domestic market, which could have adverse effects on its domestic industries and manufacturing sector.
- **Trade Deficit:** India has been running a significant trade deficit with RCEP member countries, particularly China.
- **Agriculture Sector:** India's agricultural sector, which employs a large portion of the population, faced concerns over the potential impact of increased imports from RCEP countries on farmers' livelihoods and food security.
- **Intellectual Property Rights:** The provisions related to pharmaceuticals and access to affordable medicines raised concerns about potential restrictions on India's ability to produce and distribute generic drugs, which are critical for affordable healthcare.
- **Services Sector:** India, as a major provider of services globally, sought greater market access for its services in RCEP member countries. Concerns were raised about the level of liberalization and market opening in the services sector, which is crucial for India's economy.
- **Safeguarding Domestic Industry:** India was cautious about ensuring adequate protection and support for its domestic industries during the transition period and ensuring a level playing field for Indian businesses to compete with foreign companies.

#### b. AS INDIA HAS NOT JOINED THE RCEP SO WHAT SHOULD IT DO NOW?

- **Strengthen Regional Trade Agreements:** India can focus on negotiating and strengthening bilateral or sub-regional trade agreements with key RCEP member countries.
- **Diversify Trade Partnerships:** It can focus on expanding trade and investment ties with countries in other regions, such as Africa, the Middle East, and Latin America. This diversification can help reduce reliance on specific markets and mitigate risks associated with trade imbalances.
- **Enhance Competitiveness:** India can focus on improving the competitiveness of its domestic industries through various measures. By enhancing competitiveness, Indian industries can better participate in global value chains and seize opportunities in international markets.
- **Strengthen Regional Cooperation Initiatives:** India can actively engage in other regional cooperation initiatives that align with its strategic and economic interests. For example, initiatives like the Indo-Pacific concept, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and the Indian Ocean Rim Association (IORA) provide platforms for fostering economic cooperation and strengthening regional integration.
- **Focus on Services and Digital Economy:** India can leverage its strengths in services, particularly in sectors like IT, healthcare, education, and professional services. By expanding its presence in the services and digital economy domains, India can tap into the growing demand in the region and enhance its competitive advantage.
- **Promote Export Diversification:** India can encourage diversification of its export basket by promoting value-added and high-quality products. By identifying niche markets and investing in sectors with export potential, India can reduce dependence on specific product categories and expand its export base.

The focus should be on forging strategic partnerships, promoting a favorable business environment, and capitalizing on India's unique strengths and opportunities in the evolving global economic landscape.

## 43. G20:

The G20 was founded in 1999 after the Asian financial crisis as a forum for Finance Ministers and Central Bank Governors to discuss global economic and financial issues.

The G20 was upgraded to the level of Heads of State/Government in the wake of the global economic and financial crisis of 2007, and, in 2009, was designated the “premier forum for international economic cooperation”

#### a. MANDATE:

- It plays an important role in shaping and strengthening global architecture and governance on all major international economic issues.
- It has expanded its agenda to inter-alia including trade, sustainable development, health, agriculture, energy, environment, climate change, and anti-corruption.

**b. WORKING MECHANISM:**

- The G20 Presidency steers the G20 agenda for one year and hosts the Summit. The Presidency is supported by the Troika – previous, current and incoming Presidencies. During India’s Presidency, the Troika will comprise Indonesia, India and Brazil, respectively.
- There are Engagement Groups which bring together civil societies, parliamentarians, think tanks, women, youth, labour, businesses and researchers of the G20 countries.
- The G20 consists of two parallel tracks:

<b>Finance Track</b>	<b>Sherpa Track</b>
Finance Ministers and Central Bank Governors lead the Finance Track.	The Sherpa side is coordinated by the Sherpas of member countries, who are personal emissaries of the Leaders.
G20 Finance Track discusses global macroeconomic issues through its meetings of Finance Ministers and Central Bank Governors, their Deputies and various working group meetings.	The Sherpas oversee negotiations over the course of the year, discussing agenda items for the Summit and coordinating the substantive work of the G20.

**c. INDIA AND G20:**

India assumed the presidency of the G20 grouping from Indonesia, on December 1, 2022, and will hold the post for a year. This offers a unique opportunity for India to contribute to the global agenda on pressing issues of international importance

Recently G20 summits started focusing not only on macro economy and trade; but also on a wide range of global issues which have an immense impact on the global economy since globalization started progressing and various issues became more intricately intertwined. Those issues included overall development, climate change and energy, health, counter-terrorism, as well as migration and refugees.

The G20 has sought to realize an inclusive and sustainable world through its contributions towards resolving these global issues.

The members of the G20 are: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Türkiye, the United Kingdom, the United States, the African Union and the European Union.

**G20 India Presidency**

India’s G20 logo juxtaposes planet Earth with the lotus, India’s national flower and the theme is ‘Vasudhaiva Kutumbakam’ or ‘One Earth-One Family-One Future’

- The G20 Logo draws inspiration from the vibrant colours of India’s national flag – saffron, white and green, and blue.
- The Earth reflects India’s pro-planet approach to life, one in perfect harmony with nature.
- The theme also spotlights LiFE (Lifestyle for Environment), with its associated, environmentally sustainable and responsible choices, both at the level of individual lifestyles as well as national development, leading to globally transformative actions resulting in a cleaner, greener and bluer future.
- For India, the G20 Presidency also marks the beginning of “Amrit Kaal”, the 25-year period beginning from the 75th anniversary of its independence on 15 August 2022, leading up to the centenary of its independence, towards a futuristic, prosperous, inclusive and developed society, distinguished by a human-centric approach at its core.

**Significance of India’s G20 Presidency:**

- G20 is the premier forum for international economic cooperation representing around 85% of the global GDP, over 75% of the global trade, and about two-thirds of the world population.
- During the course of its G20 Presidency, India will host about 200 meetings in 32 different sectors in multiple locations across India.
- The G20 Leaders’ Summit at the level of Heads of State/Government is scheduled to be held on September 9 and 10, 2023 in New Delhi.

## Key Outcomes of the G20 Summit 2023:

- **Diplomatic Milestone for India:**
  - PM Modi sees G20 presidency as a platform to amplify Global South's concerns.
  - Achieved support from all G20 nations for a Leaders' Declaration on Ukraine conflict.
  - Advocated reform of global institutions like the UNSC, backed by the United States.
- **G20 New Delhi Declaration:**
  - All 83 paragraphs unanimously approved, marking a historic moment.
  - Emphasized strengthening multilateral development banks, regulating cryptocurrencies, and financial inclusion.
  - Urged faster debt relief for vulnerable nations.
  - Highlighted the need for substantial climate funding, transitioning to trillions of dollars.
- **African Union Joins G20:**
  - African Union, representing 55 African countries, granted full membership.
  - India seeks support from African continent for a permanent UNSC seat.
- **Global Leadership at the Summit:**
  - Leaders from various countries attended, including Germany, France, UK, Turkey, Canada, Italy, South Korea, and Brazil.
  - Chinese President Xi Jinping and Russian President Vladimir Putin were absent.
- **India – Middle East – Europe Economic Corridor (IMEC):**
  - MoU signed among India, U.S., Saudi Arabia, EU, UAE, France, Germany, and Italy.
  - Aims to promote economic development through transportation routes.
  - Seen as an alternative to China's Belt and Road Initiative (BRI).
- **Climate Action:**
  - No consensus on fossil fuel phase-out, casting shadow on upcoming climate discussions.
  - G20 endorsed tripling global renewable energy capacity and peaking emissions before 2025.
  - Emphasized the need for a 43% reduction in greenhouse gases by 2030.
  - Commitments to sustainable development, sustainable finance, SDGs, and addressing plastic pollution.
- **Bilateral Meetings:**
  - PM Modi engaged with world leaders, symbolically handing over the G20 presidency.
  - Raised concerns about extremist elements in Canada.
  - Highlighted India-U.S. partnership rooted in Mahatma Gandhi's principles.
- **G20 Operational Tracks:**
  - **Finance Track:** Addresses fiscal and monetary policies, international taxation, and financial inclusion.
  - **Sherpa Track:** Focuses on socioeconomic concerns like climate change, trade, and education.
  - **Engagement Groups:** Unofficial track with non-government participants providing policy recommendations.

## Conclusion

The G20's primary purpose is to promote equitable global growth and development by bringing together powerful economies, both developed and emerging, to discuss global financial and economic stability. In addressing current challenges, governments must find ways to support vulnerable populations without increasing debt levels and closely monitor external risks. G20 leaders should advocate for more open, stable, and transparent rules-based commerce to alleviate global supply shortages. Strengthening the resilience of global value chains is crucial to guard against future shocks, and controlling blazing inflation is a top G-20 priority. Cooperation among G-20 nations is essential for a strong, sustained, balanced, and inclusive recovery, which hinges not only on maintaining peace in Ukraine but also on preventing future divisions.



## 44. G7:

The G7 is an informal grouping of seven of the world's advanced economies, including Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States, as well as the European Union.

### a. ROLE OF G7:

Recently, at the 48<sup>th</sup> G7 Summit, Indian Prime Minister invited the **G7 Nations** to tap into the huge market for **clean energy technologies** emerging in the country.

- **Germany** holds the presidency of the G7 in 2022.
- The German Presidency has invited Argentina, India, Indonesia, Senegal and South Africa to the G7 Summit.

### What is Group of Seven (G7)?

- It is an **intergovernmental organisation** that was **formed in 1975**.
- The bloc meets annually to discuss issues of common interest like **global economic governance, international security and energy policy**.
- The G7 countries are the **UK, Canada, France, Germany, Italy, Japan and the US**.
- **All the G7 countries and India are a part of G20**.
- **The G7 does not have a formal charter or a secretariat**. The presidency, which rotates among member countries each year, is in charge of setting the agenda. **Sherpas, ministers and envoys hammer out policy initiatives before the summit**.
- As of 2022, **G7 countries make up 10% of the world's population, 31% of global GDP, and 21% of global carbon dioxide emissions**, according to the **Summit website**. **China and India, the two most populous countries with among the largest GDP figures in the world, are not part of the grouping**.
- In all G7 countries, annual public sector expenditure exceeded revenue in 2021. Most G7 countries also had a **high level of gross debt**, especially **Japan (263% of GDP), Italy (151%) and the US (133%)**.
- The G7 countries are important players in global trade. The US and Germany in particular are major export nations. Both sold goods worth well over a trillion US dollars abroad in 2021.

### What are the Other Highlights of G7 Summit?

- **PGII:**
  - G7 announced the collective mobilization of **600 billion dollars by 2027 under Partnership for Global Infrastructure and Investment (PGII)** to deliver **"game-changing" and "transparent" infrastructure projects to developing and middle-income countries**.
- **LiFE Campaign:**
  - Indian Prime Minister highlighted Global Initiative for **LiFE (Lifestyle for Environment) campaign**.
  - The goal of this campaign is to encourage an eco-friendly lifestyle.
- **Stand on Russia-Ukraine Crisis:**
  - Russia-Ukraine crisis has pushed the energy prices to a record high, Indian Prime Minister addressed the need for equal **energy distribution amongst the population of rich and poor nations**.
  - On **Russia-Ukraine war**, Prime Minister reiterated his stand that there must be an immediate end to the hostilities and a resolution should be reached by choosing the path of dialogue and diplomacy.

### b. WHY INDIA CAN BE A FORMAL MEMBER OF G7?

- Rising India's influence and responsibility to the world and the fact that G7 cannot ignore India's opinion.
- India stands third in the world when it comes to defence expenditure.
- India's GDP is similar to the UK and higher than France, Italy and Canada.
- The world needs a responsible and great power like India, instead of China.
- The inclusion of India reflects the importance of the global south to the G7.

### c. WHY IS THERE A HESITATION IN JOINING AS A PERMANENT MEMBER?

- There is a possibility that India could be a target of China's provocation if India joins G7.



- Experts also claim that India is hesitant to join since India was a colony of these countries in the past and cannot trust these Western countries.
- The invitation to G7 is primarily to rope in India to the Western camp to sever ties with Russia and to undermine BRICS.

#### Significance of G7 for India:

1. Economic cooperation: G7 is a vital trade partner for India, offering growth opportunities.
2. Technology transfer: India can gain from G7's tech advancements, including renewable energy and AI.
3. Climate change: G7 influences global climate policy, aiding India in emissions reduction.
4. International relations: India enhances global standing and strategic interests through G7 engagement.
5. Development assistance: G7's aid policies impact India's development agenda.

#### Challenges and Limitations of G7:

1. **Economic uncertainty:** G7 nations face economic challenges, like slow growth and inequality.
2. **Climate change:** Disagreements hinder unified climate action.
3. **Global health:** Criticism over pandemic response questions G7's efficacy.
4. **Geopolitical tensions:** Differing geopolitical priorities complicate G7 cooperation.
5. **Rise of China:** Managing China's influence while engaging constructively poses a challenge.
6. **Populism and nationalism:** Nationalist trends challenge multilateral principles.
7. **Criticisms:** G7 faces criticism for limited representation and perceived western bias.

Note- For the recent updates in G7 Summits, follow the Educrat IAS Magazine (Eg. May 2023 Edition)

## 45. BIMSTEC:

- The **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)** is a regional multilateral organisation.
- Its members lie in the littoral and adjacent areas of the Bay of Bengal constituting a contiguous regional unity.
- Out of the 7 members,
  - Five are from South Asia –
    - **Bangladesh**
    - **Bhutan**
    - **India**
    - **Nepal**
    - **Sri Lanka**
  - Two are from Southeast Asia –
    - **Myanmar**
    - **Thailand**
- BIMSTEC not only connects South and Southeast Asia, but also the ecologies of the Great Himalayas and the Bay of Bengal.
- It mainly aims to create an enabling environment for rapid economic development; accelerate social progress; and promote collaboration on matters of common interest in the region.

#### What is the Genesis of BIMSTEC?

- This sub-regional organization came into being in 1997 through the **Bangkok Declaration**.
- Initially, it was formed with four Member States with the acronym '**BIST-EC**' (Bangladesh, India, Sri-Lanka and Thailand Economic Cooperation).
- It became renamed '**BIMST-EC**' in 1997, following the inclusion of Myanmar.
- With the admission of Nepal and Bhutan in 2004, the name of the grouping was changed to 'Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation' (**BIMSTEC**).

### What are the Main Objectives of BIMSTEC?

- Creating an enabling environment for the rapid economic development of the sub-region.
- Encouraging the spirit of equality and partnership.
- Promoting active collaboration and mutual assistance in the areas of common interests of the member countries
- Accelerating support for each other in the fields of education, science, and technology, etc.

### What are the Principles of BIMSTEC?

- Sovereign Equality
- Territorial Integrity
- Political Independence
- No-interference in Internal Affairs
- Peaceful Co- existence
- Mutual Benefit
- Constitute an addition to and not be a substitute for bilateral, regional or multilateral cooperation involving the Member States.

### What is the Potential of BIMSTEC?

- **Bridge between South and South East Asia** and represents a reinforcement of relations among these countries.
- The Bay of Bengal region has the potential to become the epicentre of the Indo-Pacific idea, a place where the strategic interests of the major powers of East and South Asia intersect.
- Platform for **intra-regional cooperation between SAARC and ASEAN** members.
- Home to around 1.5 billion people that constitute around 22% of the global population and a combined Gross Domestic Product (GDP) of USD 3.8 trillion, BIMSTEC has emerged as an influential engine of economic growth.
- A fourth of the world's traded goods cross the bay every year.
  - **Important Connectivity Projects:**
    - **Kaladan Multimodal Project** – links India and Myanmar.
    - **Asian Trilateral Highway** - connecting India and Thailand through Myanmar.
    - **Bangladesh-Bhutan-India-Nepal (BBIN) Motor Vehicles Agreement** - for seamless flow of passenger and cargo traffic.

### What is the Significance of BIMSTEC for India?

- **Allows India to pursue three core policies:**
  - **Neighborhood First** - primacy to the country's immediate periphery;
  - **Act East** - connect India with Southeast Asia; and
  - **Economic development of India's northeastern states** – by linking them to the Bay of Bengal region via Bangladesh and Myanmar.
- Allows India to counter China's creeping influence in countries around the Bay of Bengal due to the spread of its Belt and Road Initiative.
- A new platform for India to engage with its neighbors with South Asian Association for Regional Cooperation (SAARC) becoming dysfunctional because of differences between India and Pakistan.

### What are the Key Areas of Cooperation within BIMSTEC?

- Trade and Investment
- Technology
- Energy
- Transportation and Communication
- Tourism
- Fisheries
- Agriculture
- Cultural Cooperation
- Environment and Disaster Management
- Public Health
- People-to-People Contact

- Poverty Alleviation
- Counter Terrorism and Transnational Crime
- Climate Change

<b>Bangladesh</b>	: Trade, Investment and Development
<b>Bhutan</b>	: Environment & Climate Change
<b>India</b>	: Security Sub-sectors: Counter-Terrorism and Transnational Crime, Disaster Management, Energy
<b>Myanmar</b>	: Agriculture and Food Security Sub-sectors: Agriculture, Fisheries & Livestock
<b>Nepal</b>	: People-to-People Contact Sub-sectors: Culture, Tourism, People-to-People Contact (forums of think tanks, media etc.)
<b>Sri Lanka</b>	: Science, Technology & Innovation (Sri Lanka) Sub-sectors: Technology, Health, Human Resource Development
<b>Thailand</b>	: Connectivity

#### What are the Various Institutional Mechanisms of BIMSTEC?

- **BIMSTEC Summit** – highest policymaking body in BIMSTEC process and is comprised of heads of state/government of member states.
  - In March 2022, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (**BIMSTEC**) **grouping's fifth summit** took place in Colombo, Sri Lanka (Host for the Fifth Summit).
- **Ministerial Meeting** – second apex policy-making forum of BIMSTEC attended by the External/Foreign Ministers of Member States.
- **Senior Officials' Meeting** – represented by Senior Officials of Foreign Ministries of the Member States.
- **BIMSTEC Working Group** – attended by Ambassadors of BIMSTEC Member Countries to Bangladesh or their representatives on a monthly basis at the BIMSTEC Secretariat in Dhaka.
- **Business Forum & Economic Forum** – the two important forums to ensure active participation of private sector.

#### What Key Challenges are Associated with BIMSTEC?

Though largely devoid of bilateral tensions, as is the case in SAARC, BIMSTEC does not seem to have made much progress.

- **Inconsistency in Meetings:** BIMSTEC planned to hold summits every two years, ministerial meetings every year, but only four summits have taken place in 20 years upto 2018.
- **Neglect by member states:** It seems that India has used BIMSTEC only when it fails to work through SAARC in the regional setting and other major members like Thailand and Myanmar are focused more towards ASEAN than BIMSTEC.
- **Broad Focus Areas:** The focus of BIMSTEC is very wide, including 14 areas of cooperation like connectivity, public health, agriculture etc. It is suggested that BIMSTEC should remain committed to small focus areas and cooperate in them efficiently.
- **Bilateral Issues between Member Nations:** Bangladesh is facing one of the worst refugee crisis of Rohingyas from Myanmar who are fleeing prosecution in the state of Rakhine in Myanmar. There is a border conflict between Myanmar and Thailand.
- **BCIM:** The formation of another sub-regional initiative, the Bangladesh-China-India-Myanmar (BCIM) Forum, with the proactive membership of China, has created more doubts about the exclusive potential of BIMSTEC.

SAARC	BIMSTEC
<ol style="list-style-type: none"> <li>1. A regional organisation looking into South Asia</li> <li>2. Established in 1985 during the cold war era.</li> <li>3. Member countries suffer for mistrust and suspicion.</li> <li>4. Suffers from regional politics.</li> <li>5. Asymmetric power balance.</li> <li>6. Intra-regional trade only 5 percent.</li> </ol>	<ol style="list-style-type: none"> <li>1. Interregional organisation connecting South Asia and South East Asia.</li> <li>2. Established in 1997 in the post-Cold War.</li> <li>3. Members maintain reasonably friendly relations.</li> <li>4. Core objective is the improvement of economic cooperation among countries.</li> <li>5. Balancing of power with the presence of Thailand and India on the bloc.</li> <li>6. Intra-regional trade has increased around 6 percent in a decade.</li> </ol>

- **Inadequate Focus on Economic Cooperation:** A quick look at the unfinished tasks and new challenges gives an idea of the **burden of responsibilities on the grouping**.
  - Despite signing a framework agreement for a comprehensive **Free Trade Agreement (FTA)** in 2004, BIMSTEC stands far away from this goal.
  - Of the seven constituent agreements needed for the FTA, **only two are in place as of now**.
- **Unfinished Projects:** The general formulations of the Colombo Declaration (fifth BIMSTEC Summit) instil **little confidence about prospects of early progress**.
  - Despite talks for the need for expansion of connectivity, much of the **work is unfinished when it comes to finalising legal instruments** for coastal shipping, road transport and intra-regional energy grid connection.

#### How BIMSTEC is Different from SAARC?

#### What could be the Way Forward?

- Since the BIMSTEC region is notable for its diversity, the member states need to build on the regional synergies and work towards utilising the available resources in the most optimal manner.
- This would help build a stronger and a more dynamic BIMSTEC.
- **Multilateral Discussions:** Given the complexity of domestic and geopolitical factors, this sphere will require **sustained bilateral and group-level discussions to prevent problems such as the Rohingya crisis** from becoming impediments to the smooth delivery of economic and security outcomes.
  - India too will have to ensure equally sustained **political engagement with partners** such as Nepal, Sri Lanka and Bangladesh to **prevent any domestic political spillover** from affecting bilateral and group-level working relationships.
  - India and other members will also need to be **astute in managing Myanmar's engagement** until the **political situation in the country** becomes normal.
- **Boosting Connectivity and Cooperation:** For India's vision to bolster trade connectivity in the grouping, an **FTA spanning the maritime resource-rich members** such as **Myanmar** and **Sri Lanka** could bring dramatic gains for all members.
  - A '**coastal shipping ecosystem**' and an **interconnected electricity grid**, in addition to the adopted Master Plan for Transport Connectivity, have the **potential to boost intraregional trade** and economic ties.
  - Also, BIMSTEC needs to generate **additional funding and push for timely implementation** of the projects.
- **India as the Torchbearer:** For the revived grouping to realise its trade and economic potential, India will have to take a leadership role in **assuaging any apprehensions among the smaller members** of intragroup power imbalances and strive to **facilitate greater cross-border connectivity and flow of investments** by lowering barriers to the movement of people and goods.
  - Even at the summit, India was the **only country to offer additional funding to the Secretariat** and also to support the Secretary General's proposal to establish an **Eminent Persons Group (EPG)** for producing a vision document.
  - **Other countries need to emulate this** sincere matching of words with action.

- **Others Areas of Focus:** BIMSTEC should focus more in the future on new areas such as the **blue economy**, the **digital economy**, and **promotion of exchanges** and links among **start-ups and Micro, Small and Medium Enterprises (MSMEs)**.

## 46. TRANS-HIMALAYAN MULTI-DIMENSIONAL CONNECTIVITY NETWORK:

China and Nepal recently gave their consent to construct “Trans-Himalayan Multi-Dimensional Connectivity Network”. China will also give a grant assistance of USD 118 million to Nepal, to undertake several projects in 2022.

### Highlights of the China-Nepal agreement:

- Under the agreement, China will finance the feasibility study of a China-Nepal cross-border railway.
- Experts from China will visit to Nepal to do surveys in 2022.
- Trans-Himalayan Multi-Dimensional Connectivity network will be constructed under Belt & Road Initiative of China. Under it, railways and communication networks will be constructed.

### About Trans-Himalayan Multi-Dimensional Connectivity Network:

The network is also called as “Trans-Himalayan network”. It is an economic corridor between Nepal and China, under the Belt and Road Initiative. The construction of this network was appreciated by Chinese President as switching Nepal “from a landlocked to a land-linked country”. The network comprises of multiple transportation infrastructure projects, one such project being “China–Nepal railway”. China-Nepal railway project is at feasibility study stage. Other projects include;

- Construction of a tunnel road
- Upgrading of the Araniko Highway. This highway was closed down following the Gorkha earthquake. It ends at border of Kodari village and Chinese border crossing of Zhangmu.
- Restoration of border port.

The network also involves internal improvements to Nepalese transport infrastructure like Koshi Economic Corridor, Karnali Economic Corridor and Gandaki Economic Corridor.

## 47. AUKUS:

Recently, the **US, UK and Australia have unveiled details of their plan to create a new fleet of nuclear-powered submarines**, aimed at countering China's influence in the **Indo-Pacific region**. Under the AUKUS pact Australia is to get at least three nuclear-powered submarines from the US.

The **AUKUS agreement**, which involves Australia acquiring nuclear-powered submarines with the help of the US and the UK, is being praised and criticized simultaneously. It is viewed as a means of strengthening deterrence and stability in the Indo-Pacific. However, **China sees it as a dangerous alliance that the US is building in the area**, along with the **Quadrilateral forum or the Quad**.

This pact will **trigger multiple strategic consequences for Asia, including India**. However, it is also an opportunity for India to develop a unique set of arrangements with the US and its allies.

### What is AUKUS Grouping?

- It is a trilateral security partnership for the Indo-Pacific, between Australia, the UK and the US (AUKUS) which was signed in 2021.
- The major highlight of this arrangement is the sharing of US nuclear submarine technology to Australia.
- Its Indo-pacific orientation makes it an alliance against China’s assertive actions in the **South China Sea**.
- It involves a new architecture of meetings and engagements between the three countries, as well as cooperation across emerging technologies (**applied AI, quantum technologies and undersea capabilities**).

### What are the Concerns related to AUKUS Grouping for Asia?

- **Regional Security:**

- The AUKUS partnership has been **perceived as a challenge to the security and stability of the region**, particularly by China. The **agreement includes the sharing of sensitive defense technologies and intelligence**, which has raised concerns about its impact on the strategic balance in the region.
- **Diplomatic Implications:**
  - The AUKUS partnership has **also been viewed as a diplomatic setback for countries** such as India, Japan, and South Korea, which have traditionally been seen as key allies of the United States in the region.
  - These countries fear that the **new partnership will sideline them and reduce their influence in the region**.
- **Impact on Non-Proliferation:**
  - The AUKUS partnership **involves the transfer of nuclear-powered submarine technology to Australia, which has raised concerns about its impact on global non-proliferation efforts**. Some experts have expressed concern that this move could set a dangerous precedent and encourage other countries to pursue nuclear capabilities.
- **Economic Consequences:**
  - The AUKUS partnership has also **raised concerns about its economic implications, particularly for countries such as India that have significant defense industries**. The agreement is expected to lead to increased competition and could potentially impact the ability of these countries to sell defense equipment to Australia.

#### What will be the Strategic Consequences for India?

- **Strengthening ties with Australia:**
  - With Australia's upgraded scientific and technical capabilities, **there is an opportunity for India to deepen its S&T cooperation with Australia**, which could eventually expand to sensitive strategic areas.
  - This **would enhance India's own technological capabilities** and contribute to regional peace and security.
- **Recognizing the Continuing Global Strategic Salience of Britain:**
  - India tends to neglect the strategic importance of Britain, but the AUKUS deal may boost UK's profile in Asia.
  - **India could explore opportunities for closer cooperation with Britain** on Indo-Pacific security issues.
- **Embracing the idea of an "Anglosphere":**
  - Despite India's difficult past relations with the Anglosphere, the **AUKUS deal has brought enduring geopolitical bonds** between the US, UK, Australia, Canada, and New Zealand back to life.
- An Anglosphere is also called the world of English-speaking people bound by common political beliefs, similar legal traditions, and shared geopolitical interests.
- India could **explore opportunities to expand its ties with the English-speaking world**, particularly in the areas of technology and defense.
- **Developing a Unique Set of Arrangements:**
  - With the US seeking to boost the strategic capabilities of its allies and partners in the Indo-Pacific, **India has a rare opportunity to develop its own set of arrangements with the US and its allies**.
  - This could **involve closer military cooperation, joint exercises, and intelligence sharing**, among other things.

#### How can India Safeguard its Strategic Interests?

- **Exploring Opportunities for Collaboration:**
  - India can explore opportunities for collaboration and technology transfer with the AUKUS countries, while also ensuring that its own national security interests are not compromised.
  - India can seek collaborations with AUKUS countries in areas such as maritime security, cybersecurity, and intelligence sharing.
- **Maintaining Balance:**
  - India should maintain a balance between its engagement with AUKUS and other key partners, such as Russia, France, and Japan.
  - India should avoid being drawn into a zero-sum game and strive to maintain strong ties with all relevant countries.
  - This is particularly important given the complex geopolitical landscape of the Indo-Pacific region.
- **Strengthening Quad:**
  - India should work towards strengthening the Quad, which could provide a counterbalance to AUKUS and help promote a rules-based regional order.

- India should leverage the Quad to promote regional stability and balance of power.
- **Ensuring the Interest of Smaller Countries:**
  - India needs to ensure that the interests of smaller countries in the region are not overlooked in any engagements with AUKUS. India should take a leadership role in promoting a cooperative and inclusive approach to regional security issues.
  - This could involve initiatives such as capacity building for smaller countries in the region and promoting greater regional integration and connectivity.

#### 57. COMPREHENSIVE AND PROGRESSIVE AGREEMENT FOR TRANS-PACIFIC PARTNERSHIP (CPTPP):

(CPTPP), also known as TPP11 or TPP-11, is a trade agreement between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam.

##### CPTPP Overview:

- Signed by 11 Asia-Pacific countries in Santiago, Chile on March 8, 2018.
- Entered into force for some countries in late 2018 and early 2019.
- Eliminates/reduces trade barriers, covers various sectors, and encourages a transparent and fair business environment.
- Covers trade-related technical cooperation, environmental protection, and labor standards.

##### Objectives of CPTPP:

- Aims to eliminate/reduce trade barriers.
- Creates a consistent, transparent, and fair business environment.
- Includes provisions for environmental and labor protection.
- Simplifies rules of origin and customs procedures.

##### Significance of CPTPP:

- Provides competitive advantages to exporters in CPTPP member countries.
- Eliminates tariffs on most internal exports to CPTPP markets.
- Reduces trade barriers, enhances access to government procurement, and promotes a predictable trade environment.
- Simplifies regulatory requirements.

##### CPTPP Commission:

- Oversees agreement implementation and trade advancement.
- Comprises ministers and senior officials from member countries.
- Held three meetings, addressing issues like post-COVID-19 economic recovery.
- Example meetings: Tokyo (2019), Auckland (2019), Virtual hosted by Mexico (2020).

**Note:-** India has recognized that the sweeping economic concessions required to join CPTPP have too far-reaching consequences, similar to RCEP. India opted out of the bloc because it wants to impose stricter labor and environmental regulations on its other partners.

## 48. RUSSIA UKRAINE WAR:

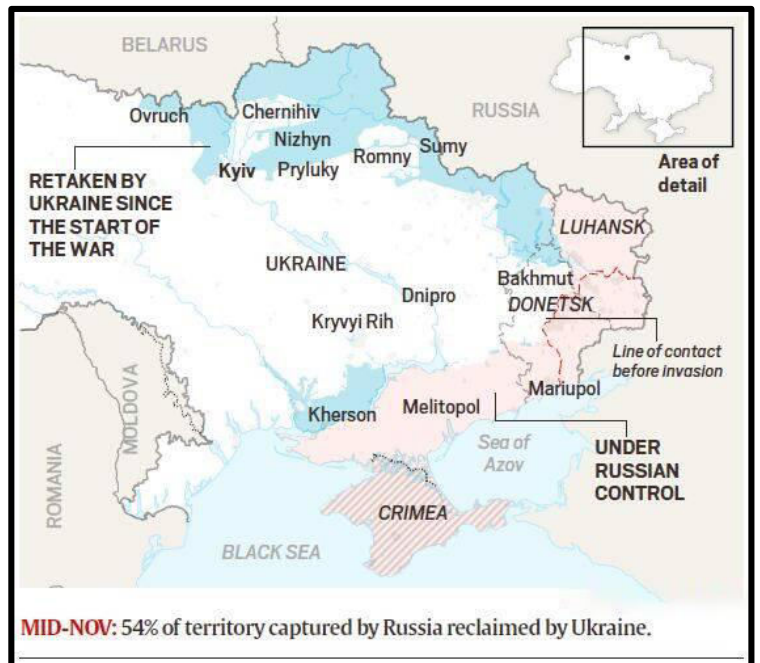
A year after start of **Russia-Ukraine conflict**, there are still signs of escalation everywhere. Calculations on both sides that this would be a short, swift war have proved wrong.



- The anniversary of war comes in the **backdrop of Russia's withdrawal from New START treaty.**

#### What is the Current Status of the War?

- The West has recently announced the **supply of more advanced weapons to Ukraine**, deepening its involvement in the conflict.
  - In response, Russian President Vladimir Putin has already reinforced Russian positions along the 1,000-km long frontline in Ukraine.
- **Risks of a direct confrontation** between **Russia** and the **North Atlantic Treaty Organisation (NATO)**, both nuclear powers, are also on the rise as the war is extended.
- **Russia wanted to install a Moscow friendly regime** and to take the whole of Ukraine's east and south, stretching from **Kharkiv in the northeast** through the **Donbas in the east** (which comprises Luhansk and Donetsk) to **Odesa, the Black Sea port city in the southwest**, turning the country into a land-locked rump. **Russia has failed to meet any of these objectives.**
- Nevertheless, **Russia has taken substantial portions of Ukrainian territories**, including **Mariupol**. Russia's territorial gains in Ukraine peaked in March 2022, when it controlled some 22% of pre-2014 Ukraine.
- **Ukraine recaptured some land in Kharkiv and Kherson**. But still, Russia controls some 17% of Ukraine.
- Focused fighting has been going on in some flashpoints along the frontline including Bakhmut, Donetsk and Zaporizhzhia.



#### What has been the West's Response?

- **Approach:**
  - Punish Russia's economy through sanctions and thereby weaken its war machine.
  - Arming Ukraine to counter the Russian offensive.
- **Major Aid Providers:**
  - The **U.S. is Ukraine's biggest aid provider** — it has pledged military and financial assistance worth over USD 70 billion.
  - The **EU has pledged \$37 billion** and among the EU countries, the **U.K. and Germany** top the list.
- **Evaluation of Western Response:**
  - While the approach of arming Ukraine has been **effective in at least halting the Russian advances**, **hurting Russia economically** has been a **double-edged sword**.
- **Sanctions on Russia**, one of the **top global producers of oil and gas**, hit the global economy hard, **worsening an inflationary crisis across the West, particularly in Europe**.
- Russia also took a hit, but it found **alternative markets for its energy exports in Asia**, redrawing the global energy export landscape. In 2022, despite sanctions, Russia **raised its oil output by 2% and boosted oil export earnings by 20%**.
- The **Russian economy** was estimated to have contracted by 2% in 2023, but, according to the IMF, it is **expected to grow 0.3% in 2023** and 2.1% in 2024.
- In comparison, Germany, Europe's largest economy, is expected to grow 0.1% in 2023, while the U.K., Ukraine's second biggest backer, is projected to contract by 0.6%.

#### Is there a Possibility for a Negotiated Settlement?

- Both sides **had exchanged several drafts about a potential peace plan in March 2022**, but the **U.S. and the U.K. staunchly opposed** Ukraine reaching any agreement with Russia. **Talks collapsed in March.**

- In July 2022, **Turkey brokered a deal** on taking out Russian and Ukrainian food grains through the Black Sea known as **Black Sea Food grain initiative**. Also, Warring parties had reached some prisoner exchange agreements.
- But barring these, talks between the two sides are non-existent.
  - **Russia**, despite the slow progress of its “special military operation”, **remains adamant**.
  - **Mr. Zelensky** recently stated that he **would not reach any agreement with Russia making territorial compromises**.
  - There is absolutely **no push from the West for talks**.
  - **China** has stepped in with its own **peace initiative**, which is not in public domain yet.
- For any peace plan to succeed a few **Key issues** are to be addressed.
  - Ukraine’s territorial concerns.
  - Russia’s security concerns.
  - **Washington and Moscow should reach some kind of understanding** as Ukraine, given its dependence on the West, would require clearance from west for any final settlement.
- However, in context of Russian withdrawal from New START Treaty, **possibility of such settlement in the near future looks bleak**.

### How has the War Reshaped Geopolitics?

- **Increased focus on Security and Defence:**
  - The war has **re-energized the Europe-US security alliance**. **NATO** has opened its door to the **proposed inclusion of Sweden and Finland**, that will, once in (Turkey’s approval is awaited), form the new military frontiers of the alliance against Russia.
- **Trust Deficit:**
  - The trust deficit **between Russia and the West is at an-all time high**. The US-led alliance is pouring weapons into Ukraine.
  - Though US President seems reluctant to accept all of Ukraine’s demands, including for combat aircraft including F16s, perhaps mindful of the risk of widening the war.
- **China Factor:**
  - Moscow formalized its friendship with China in 2022 as “limitless”. But China also does not want to jeopardize its Europe ties.
  - **China has not contributed with weapons to Russia** and also expressed its reservation **against nuclear war**.
  - However, the **US and Europe remain concerned about Chinese arms supplies** to Russia.

### What has been India’s Stand?

- The Ukraine war has been an **opportunity to practice strategic autonomy**. Adopting a neutrality India has maintained its relationship with Moscow while iterating support to global peace.
- India **worked around Western sanctions to buy oil from Russia**. As much as **25% of India’s oil purchase is now from Russia**, from less than 2% before the war.
- Recently, **India abstained** on a UNGA resolution on first anniversary of the war, asking Russia to withdraw from its territory as the resolution had limitations in reaching the lasting goal of securing lasting peace.
  - India has **abstained on all three votes so far** on the Ukraine crisis at the UN General Assembly since Russian invasion.
- But the longer the war continues, the more pressure on India from the Western alliance to choose the “right side”.
- India has expressed the hope that it can use its **G-20 presidency to bring peace**.

### Way Forward

- There is an urgent **need for the parties of the war to return to negotiation table** as the escalation of hostilities and violence is in no one’s interest.
- International principles and jurisprudence make it clear that parties to a conflict should **ensure civilians and civilian infrastructure are not targeted**, and the global order is based on international law, the UN Charter and

respect for territorial integrity and sovereignty of all states. These principles must be upheld without any exception.

## 49. UNITED NATIONS:

India, as a founding member of the United Nations (UN), has been actively engaged with the organization since its inception. India's relationship with the UN is characterized by a commitment to the principles of multilateralism, peace, and international cooperation

The United Nations (UN) is an international organization founded in 1945. It is currently made up of 193 Member States.

Its mission and work guided by the purposes and principles contained in its founding Charter and implemented by its various organs and specialised agencies.

Its activities include maintaining international peace and security, protecting human rights, delivering humanitarian aid, promoting sustainable development and upholding international law.

### What is the History of UN Foundation?

- In **1899**, the **International Peace Conference** was held in The **Hague** to elaborate instruments for settling crises peacefully, preventing wars and codifying rules of warfare.
  - It adopted the **Convention for the Pacific Settlement of International Disputes** and established the **Permanent Court of Arbitration**, which began work in 1902. This court was the forerunner of UN International Court of Justice.
- The forerunner of the United Nations was the **League of Nations**, an organization conceived in circumstances of the First World War, and established in 1919 under the **Treaty of Versailles** "to promote international cooperation and to achieve peace and security."
  - **The International Labour Organization (ILO)** was also created in 1919 under the Treaty of Versailles as an **affiliated agency of the League**.
- The name "**United Nations**", coined by **United States President Franklin D. Roosevelt**. A document called **The Declaration by United Nations** was signed in 1942 by 26 nations, pledging their Governments to continue fighting together against the Axis Powers (Rome-Berlin-Tokyo Axis) and bound them against making a separate peace.
- **United Nations Conference on International Organization (1945)**
  - Conference held in San Francisco (USA), was attended by representatives of 50 countries and signed the **United Nations Charter**.
- **The UN Charter of 1945** is the **foundational treaty of the United Nations**, as an inter-governmental organization.

### What are the Components of the UN?

The main organs of the UN are

1. the General Assembly,
2. the Security Council,
3. the Economic and Social Council,
4. the Trusteeship Council,
5. the International Court of Justice,
6. and the UN Secretariat.

**All the 6 were established in 1945 when the UN was founded.**

#### 1. General Assembly

- The General Assembly is the main deliberative, policymaking and representative organ of the UN.
- **All 193 Member States** of the UN are represented in the General Assembly, making it the only UN body with **universal representation**.
- Each year, in **September**, the full UN membership meets in the General Assembly Hall in **New York** for the **annual General Assembly session**, and general debate, which many heads of state attend and address.
- Decisions on important questions, such as those on peace and security, admission of new members and budgetary matters, require a **two-thirds majority** of the General Assembly.
- Decisions on other questions are **by simple majority**.
- **The President** of the General Assembly is elected each year by assembly to serve a one-year term of office.

- Recently, the **Maldives' Foreign Minister Abdulla Shahid** was elected the President of the 76th session of the UNGA for 2021-22
- **6 Main Committees: Draft resolutions** can be prepared for the General Assembly by its six main committees: (1) First Committee (Disarmament and International Security), (2) Second Committee (Economic and Financial), (3) Third Committee (Social, Humanitarian, and Cultural), (4) Fourth Committee (Special Political and Decolonization), (5) Fifth Committee (Administrative and Budgetary), (6) Sixth Committee (Legal).
- Each Member State may be **represented by one person on each Main Committee** and on any other committee that may be established upon which all Member States have the right to be represented.
- Member States may **also assign advisers, technical advisers, experts** or persons of similar status to these committees.
- **Other Committees:**
  - **General Committee:** It meets periodically throughout each session to review the progress of the General Assembly and its committees and to make recommendations for furthering such progress. It is composed of the President of the General Assembly and 21 Vice-Presidents of the Assembly and the Chairmen of the six Main Committees. The five permanent members of the Security Council serve as Vice-Presidents, as well.
  - **Credentials Committee:** It is mandated to examine the credentials of representatives of Member States and to report to the General Assembly.

## 2. Security Council

The **United Nation Security Council (UNSC)** got five new non permanent members (**Albania, Brazil, Gabon, Ghana and the United Arab Emirates**) recently

- Estonia, Niger, St Vincent and the Grenadines, Tunisia and Vietnam finished their terms recently.
- Albania is joining for the **first time** while Brazil is taking an **11<sup>th</sup> turn**. Gabon and Ghana each have been on the council three times before and the UAE once.
- More than 50 of the UN's 193 member countries have never been elected to the council since its formation.

### Key Points

- **UNSC:**
- **About:**
  - The Security Council was established by the UN Charter in 1945. It is one of the six principal organs of the **United Nations**.
  - Its primary responsibility is **to work to maintain international peace and security**.
  - The council is **headquartered at NewYork**.
- **Members:**
  - The council has 15 members: the **five permanent members and ten non-permanent members** elected for **two-year terms**.
  - The five permanent members are the United States, the Russian Federation, France, China and the United Kingdom.
  - India, for the **eighth time**, has entered the UNSC as a **non-permanent member** last year (2021) and will stay on the council for two years i.e 2021-22.
  - **Each year**, the General Assembly **elects five non-permanent members** (out of ten in total) for a two-year term. The ten non-permanent seats are **distributed on a regional basis**.
  - **The council's presidency is a capacity that rotates every month among its 15 members.**
- **Voting Powers:**
  - Each member of the Security Council **has one vote**. Decisions of the Security Council on matters are **made by an affirmative vote of nine members including the concurring votes of the permanent members**. A "No" vote from one of the five permanent members blocks the passage of the resolution.
  - Any member of the United Nations which is **not a member of the Security Council may participate**, without vote, in the discussion of any question brought before the Security Council whenever the latter considers that the interests of that member are specially affected.
- **India in the UNSC:**
  - India took active part in the formulation of the **Universal Declaration of Human Rights (UDHR)** in 1947-48 and raised its voice passionately against racial discrimination in South Africa.

- India has played its part in **formulating decisions on several issues** such as admitting former colonies to the UN, addressing deadly conflicts in the Middle East and maintaining peace in Africa.
- It has contributed extensively to the UN, particularly for the **maintenance of international peace and security**.
  - India has taken part in 43 **Peacekeeping missions** with a total contribution exceeding 160,000 troops and a significant number of police personnel.
- India's population, territorial size, **Gross Domestic Product (GDP)**, economic potential, civilisational legacy, cultural diversity, political system and past and ongoing contributions to UN activities make India's demand for a permanent seat in the UNSC completely rational.
- **Issues with UNSC:**
  - **Absence of Records and Texts of Meetings:**
    - The usual UN rules don't apply to the UNSC deliberations and no records are kept of its meetings.
    - Additionally, there is no "text" of the meeting to discuss, amend or object.
  - **Powerplay in UNSC:**
    - The veto powers that the UNSC's five permanent members enjoy is an anachronism in this age.
    - The UNSC in its current form has become a constraint in understanding the international changes and dynamics in the area of human security and peace.
  - **Divisions Among the P5:**
    - There is a deep polarisation within the UN's membership, so decisions are either not taken, or not heeded.
    - Frequent divisions within the UNSC P-5 end up blocking key decisions.
    - **Example:** With the coronavirus pandemic emergence, the UN, the UNSC, and **World Health Organisation** failed to play an effective role in helping nations deal with the spread.
  - **An Underrepresentation Organisation:**
    - The absence in the UNSC of the globally important countries – **India, Germany, Brazil and South Africa** - is a matter of concern.

#### Way Forward

- The imbalances in power relationships among P5 and the rest of the world needs to be corrected urgently.
- Also, it is **needed to reform the Security Council** through an **expansion in permanent and non-permanent seats** to enable the UN organ to better deal with the "ever-complex and evolving challenges" to the maintenance of international peace and security.
- **India as the current one of the non-permanent members** of the UNSC can start by **drafting a resolution containing a comprehensive set of proposals** for reforming the UNSC.
  - It can further approach other like-minded countries (like the **G4: India, Germany, Japan and Brazil**) and keep growing its circle of support till sufficient numbers of countries are together to reach out to the whole UNGA to propose the resolution with a realistic chance of winning the vote.

### 3. Economic and Social Council (ECOSOC)

- It is the principal body for coordination, policy review, policy dialogue and recommendations on economic, social and environmental issues, as well as implementation of internationally agreed development goals.
- It has 54 Members, elected by the General Assembly for overlapping three-year terms.
- It is the United Nations' central platform for reflection, debate, and innovative thinking on sustainable development.
- Each year, ECOSOC structures its work around an annual theme of **global importance to sustainable development**. This ensures **focused attention**, among ECOSOC's array of partners, and throughout the UN development system.
- It coordinates the work of the 14 UN specialized agencies, ten functional commissions and five regional commissions, receives reports from nine UN funds and programmes and issues policy recommendations to the UN system and to Member States.

#### UN bodies within the purview of the ECOSOC:

<ul style="list-style-type: none"> <li>▪ <b>Specialized agencies</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Ad hoc bodies</b></li> </ul>
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- International Labour Organization (ILO)
- Food and Agriculture Organization of the United Nations (FAO)
- United Nations Educational, Scientific and Cultural Organization (UNESCO)
- World Health Organization (WHO)
- World Bank Group
- International Monetary Fund (IMF)
- International Civil Aviation Organization (ICAO)
- International Maritime Organization (IMO)
- International Telecommunication Union (ITU)
- Universal Postal Union (UPU)
- World Meteorological Organization (WMO)
- World Intellectual Property Organization (WIPO)
- International Fund for Agricultural Development (IFAD)
- United Nations Industrial Development Organization (UNIDO)
- World Tourism Organization (WTO)
- **Functional commissions**
- Statistical Commission
- Commission on Population and Development
- Commission for Social Development
- Commission on Human Rights
- Commission on the Status of Women
- Commission on Narcotic Drugs
- Commission on Crime Prevention and Criminal Justice
- Commission on Science and Technology for Development
- Commission on Sustainable Development
- United Nations Forum on Forests
- **Regional Commissions**
- Economic Commission for Africa (ECA)
- Economic and Social Commission for Asia and the Pacific (ESCAP)
- Economic Commission for Europe (ECE)
- Economic Commission for Latin America and the Caribbean (ECLAC)
- Economic and Social Commission for Western Asia (ESCWA)
- **Standing Committees**
- Committee for Programme and Coordination
- Commission on Human Settlements
- Committee on Non-Governmental Organizations
- Ad Hoc Open-ended Working Group on Informatics
- **Expert bodies composed of governmental experts**
- Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals.
- United Nations Group of Experts on Geographical Names
- **Expert bodies composed of members serving in their personal capacity**
- Committee for Development Policy
- Meeting of Experts on the United Nations Programme in Public Administration and Finance
- Ad Hoc Group of Experts on International Cooperation in Tax Matters
- Committee on Economic, Social and Cultural Rights
- Committee on Energy and Natural Resources for Development
- Permanent Forum on Indigenous Issues
- **Related bodies**
- International Narcotics Control Board
- Board of Trustees of the International Research and Training Institute for the Advancement of Women
- Committee for the United Nations Population Award
- Programme Coordination Board of the Joint United Nations Programme on HIV/AIDS
- Funds and programmes which send reports to ECOSOC
- United Nations Children's Fund (UNICEF)
- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Development Fund for Women
- United Nations Development Programme (UNDP)
- United Nations Environment Programme (UNEP)
- Office of the United Nations High Commissioner for Refugees (UNHCR)
- United Nations Population Fund (UNFPA)
- United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)
- Office for Drug Control and Crime Prevention (ODCCP)



- Committee on Negotiations with Intergovernmental Agencies
- Committee on Energy and Natural Resources

- World Food Programme (WFP)
- UN-HABITAT

#### 4. Trusteeship Council

- It was established in 1945 by the UN Charter, under Chapter XIII.
- **Trust territory** is a non-self-governing territory placed under an administrative authority by the Trusteeship Council of the United Nations.
- **A League of Nations mandate** was a legal status for certain territories transferred from the control of one country to another following World War I, or the legal instruments that contained the internationally agreed-upon terms for administering the territory **on behalf of the League of Nations**.
- **United Nations trust territories** were the successors of the remaining League of Nations mandates, and came into being when the League of Nations ceased to exist in 1946.
- It had to provide international supervision for 11 Trust Territories that had been placed under the administration of seven Member States, and ensure that adequate steps were taken to prepare the Territories for self-government and independence.
- **By 1994, all Trust Territories had attained self-government or independence. The Trusteeship Council suspended operation on 1 November 1994.**

#### 5. International Court of Justice (ICJ)

- The International Court of Justice is the principal judicial organ of the United Nations. It was established in June 1945 **by the Charter of the United Nations** and began work in April 1946.
- The ICJ is the **successor** of the **Permanent Court of International Justice (PCIJ)**, which was established by the League of Nations in **1920**.

#### The ICJ is composed of 15 judges.

- The judges have a tenure of nine years each.
- They are elected independently by the UNGA and the UNSC. The candidate should get an absolute majority in both the UNGA and the UNSC to be elected.
- No two judges can have the same nationality in the ICJ.
- Elections are held every three years for one-third of the seats, and retiring judges may be re-elected.
- The members of the ICJ do not represent their governments but are independent magistrates.
- The judges must possess the qualifications required in their respective countries for appointment to the highest judicial offices, or be jurists of recognized competence in international law.
- The judges are distributed as per the regions:
  - 3 from Africa
  - 2 from Latin America and the Caribbean
  - 3 from Asia
  - 5 from Western Europe and other states
  - 2 from Eastern Europe
- Among the 15 judges, there is a President, a Vice President and a Registrar.
- Every State government party to the Charter designates a group that proposes candidates for the office of ICJ judges.

#### 6. Secretariat

- The Secretariat comprises the **Secretary-General** and tens of thousands of **international UN staff members** who carry out the day-to-day work of the UN as mandated by the General Assembly and the Organization's other principal organs.
- **The Secretary-General** is chief administrative officer of the Organization, appointed by the General Assembly on the **recommendation of the Security Council** for a five-year, renewable term.

- The UNGA has also appointed Antonio Guterres as the **ninth UN Secretary General (UNSG)** for a second term beginning 1<sup>st</sup> January, 2022 and ending on 31st December, 2026.
- UN staff members are recruited internationally and locally, and work in duty stations and on peacekeeping missions all around the world.

### What about UN's Funds, Programmes, Specialized Agencies and Others?

The UN system, also known unofficially as the "**UN family**", is made up of the UN itself (6 main organs) and many affiliated **programmes, funds, and specialized agencies**, all with their **own membership, leadership, and budget**.

#### Funds and Programmes

##### ▪ UNICEF

- **The United Nations Children's Fund (UNICEF)**, originally known as the United Nations International Children's Emergency Fund, was created by the United Nations General Assembly in 1946, to provide emergency food and healthcare to children and mothers in countries that had been devastated by World War II.
- In **1950**, UNICEF's **mandate was extended** to address the long-term **needs of children and women in developing countries** everywhere.
- In 1953, it became a permanent part of the United Nations System, and the words "international" and "emergency" were dropped from the organization's name, though it retained the original acronym, "UNICEF".
- **Executive Board:** A 36-member board establishes policies, approves programs and oversees administrative and financial plans. The members are government representatives who are elected by the **United Nations Economic and Social Council (ECOSOC)**, usually for three-year terms.
- UNICEF relies on **contributions** from governments and private donors.
- **UNICEF's Supply Division** is based in **Copenhagen** (Denmark) and serves as the primary point of distribution for such essential items as vaccines, antiretroviral medicines for children and mothers with HIV, nutritional supplements, emergency shelters, family reunification, and educational supplies.
- **UNICEF's Recent Initiatives:**
  - **Children's Climate Risk Index**
  - **First Global Report on Assistive Technology (GRAT).**

##### ▪ UNFPA

- **The United Nations Population Fund (UNFPA)**, formerly the United Nations Fund for Population Activities, is the United Nations **sexual and reproductive health agency**.
- The UN Economic and Social Council (ECOSOC) establishes its mandate.
- UNFPA works directly to tackle **Sustainable Development Goals** on health (SDG3), education (SDG4) and gender equality (SDG5)
- Its mission is to deliver a world where every pregnancy is wanted, 'every childbirth is safe' and every young person's potential is fulfilled.
- In 2018, UNFPA launched efforts to achieve three transformative results, ambitions that promise to change the world for every man, woman and young person:
  - Ending unmet need for family planning
  - Ending preventable maternal death
  - Ending gender-based violence and harmful practices
- **UNFPA Publication:**
  - **State of World Population Report**

##### ▪ UNDP

- The United Nations Development Programme (UNDP) is the UN's global development network.
- UNDP was established in 1965 by the General Assembly of the United Nations.
- It provides expert advice, training and grants support to developing countries, with increasing emphasis on assistance to the least developed countries.
- The **UNDP Executive Board** is made up of representatives from 36 countries around the world who serve on a rotating basis.
- It is funded entirely by voluntary contributions from member nations.
- UNDP is central to the **United Nations Sustainable Development Group (UNSDG)**, a network that spans 165 countries and unites the 40 UN funds, programmes, specialized agencies and other bodies working to advance the **2030 Agenda for Sustainable Development**.

- **UNDP Publication: Human Development Index**
- **UNEP**
  - The United Nations Environment Programme (UN Environment) is a global environmental authority that sets the global environmental agenda, promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system.
  - It was founded by UN General Assembly as a result of the United Nations Conference on the Human Environment (Stockholm Conference) in June 1972.
  - **UNEP and World Meteorological Organization (WMO)** established **Intergovernmental Panel on Climate Change (IPCC)** in 1988 to assess climate change based on the latest science.
  - Since its founding, the UNEP has played a key role for the development of multilateral environmental agreements (MEAs). The secretariats for the following nine MEAs are currently hosted by UNEP:
    - Convention on Biological Diversity (CBD)
    - Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
    - Convention on the Conservation of Migratory Species of Wild Animals (CMS)
    - Vienna Convention for the Protection of the Ozone Layer
    - Minamata Convention on Mercury
    - Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and Their Disposal
    - Stockholm Convention on Persistent Organic Pollutants
    - Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade
  - Headquarters: **Nairobi, Kenya**
  - **Publications:**
    - **'Making Peace with Nature' report**
    - **Emission Gap Report**
    - **Adaptation Gap Report**
    - **Global Environment Outlook**
    - Frontiers
    - Invest into Healthy Planet
  - **Major Campaigns:**
    - Beat Pollution
    - UN75
    - **World Environment Day**
    - Wild for Life.
  - **United Nations Environment Assembly**
    - The **United Nations Environment Assembly (UNEA)** is the **governing body of the UN Environment Programme**.
    - It is the world's highest-level decision-making body on the environment.
    - It **meets biennially** to set priorities for global environmental policies and develop international environmental law.
    - It was **created in June 2012**, during the United Nations Conference on Sustainable Development, also referred to as RIO+20.
- **UN-Habitat**
  - United Nations Human Settlements Programme (UN-Habitat) is the United Nations programme working towards a better urban future.
  - Its mission is to promote socially and environmentally sustainable human settlements development and the achievement of adequate shelter for all.
  - It was established in 1978 as an outcome of the First **UN Conference on Human Settlements and Sustainable Urban Development (Habitat I)** in Vancouver, Canada, in 1976.
  - **2<sup>nd</sup> United Nations Conference on Human Settlements (Habitat II)** in Istanbul, Turkey, in 1996, set the twin goals of the Habitat Agenda:
    - Adequate shelter for all
    - Development of sustainable human settlements in an urbanizing world.

- **3<sup>rd</sup> United Nations Conference on Housing and Sustainable Urban Development (Habitat III)** was held in 2016 in Quito, Ecuador. It elaborated on **Goal-11 of the Sustainable Development Goals (SDG): "Make cities and human settlements inclusive, safe, resilient, and sustainable."**
- UN-Habitat maintains its headquarters at the United Nations Office at Nairobi, Kenya.
- Recently, the **UN-Habitat has identified issues associated with Jaipur city like multi hazard vulnerabilities**, weak mobility and Green-Blue economy and has laid out a plan to increase sustainability in the city.
- **WFP**
  - **World Food Programme (WFP)** is the leading humanitarian organization saving lives and changing lives, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience.
  - The WFP was established in 1963 by the **FAO (The Food and Agriculture Organization)** and the **United Nations General Assembly**.
  - **WFP Initiatives:**
    - **Share the Meal**
    - **Global Report on Food Crisis**
    - **The report is the flagship publication of the Global Network Against Food Crises (GNAFC). and is facilitated by the Food Security Information Network (FSIN) which is a global initiative co-sponsored by FAO, WFP and International Food Policy Research Institute (IFPRI).**
    - In Feb 2022, India signed an agreement with the WFP for the **distribution of 50,000 MT of wheat that it has committed to sending to Afghanistan** as part of a humanitarian assistance.

#### **UN Specialized Agencies**

The UN specialized agencies are autonomous organizations working with the United Nations. All were brought into relationship with the UN through negotiated agreements.

**Some existed even before the First World War.** Some were **associated with the League of Nations.** Others were created almost simultaneously with the UN. Others were created by the UN to meet **emerging needs.**

**Articles 57 and 63 of UN Charter** provides provision of creating specialised agencies.

- **FAO**
  - In 1945, Food and Agriculture Organization (FAO) was created In Quebec City, Canada, by the first session of the newly created United Nations.
  - FAO is a specialized agency of the United Nations that leads international efforts to defeat hunger.
  - FAO is also a source of knowledge and information, and helps developing countries in transition modernize and improve agriculture, forestry and fisheries practices, ensuring good nutrition and food security for all.
- **ICAO**
  - Under **Chicago Convention**, the **International Civil Aviation Organization (ICAO)** was established in 1944, as a UN specialized agency. It manages the administration and governance of the Convention on International Civil Aviation (Chicago Convention).
  - It provides the principles and techniques of international air navigation and fosters the planning and development of international air transport to ensure safe and orderly growth.
- **IFAD**
  - The **International Fund for Agricultural Development (IFAD)** was established as an **international financial institution** in 1977 through United Nations General Assembly Resolution as one of the major outcomes of the **1974–World Food Conference**.
  - This conference was organized by the United Nations in response to the food crises of the early 1970s, when global food shortages were causing widespread famine and malnutrition, primarily in the Sahelian countries of Africa. It was realized that food insecurity and famine were not so much failures in food production but structural problems relating to poverty.
- **ILO**
  - The **International Labour Organization (ILO)** is a United Nations agency whose mandate is to advance social justice and promote decent work by setting international labour standards.
  - It sets international labour standards, promotes rights at work and encourages decent employment opportunities, the enhancement of social protection and the strengthening of dialogue on work-related issues.

- **As an agency of the League of Nations**, it was created in **1919**, as part of the **Treaty of Versailles** that ended World War I.
- **9 International Labour Conventions and 10 Recommendations** which dealt with hours of work in industry, unemployment, maternity protection, night work for women, minimum age, and night work for young persons in industry were adopted in less than two years (by 1922).
- By signing of the United Nation agreement whereby the ILO became the **first United Nations specialized agency** in 1946.
- The Organization won the Nobel Peace Prize on its 50th anniversary in 1969 for pursuing decent work and justice for workers.
- In 1980, the ILO played a major role in the emancipation of Poland from dictatorship by giving its full support to the legitimacy of the Solidarnosc Union, based on respect for Convention No. 87 on freedom of association, which Poland had ratified in 1957.
- It emphasised that the future of work is not predetermined: Decent work for all is possible but societies have to make it happen. It is precisely with this imperative that the ILO established its **Global Commission on the Future of Work** as part of its initiative to mark its centenary in 2019.
- Its job is to undertake an in-depth examination of the future of work that can provide the analytical basis for the delivery of social justice in the 21st century.
- **IMF**
  - **UN Monetary and Financial Conference** (1944, also called **Bretton Woods Conference**), Bretton Woods, New Hampshire, United States was held to regulate the international monetary and financial order after the conclusion of World War II.
  - It resulted in foundation of International Monetary Fund (IMF) in 1945.
- **World Bank**
  - **UN Monetary and Financial Conference** (1944, also called **Bretton Woods Conference**), was held to regulate the international monetary and financial order after the conclusion of World War II. It resulted in foundation of IBRD in 1945. IBRD is the founding institution of World Bank
- **IMO**
  - The **International Maritime Organization (IMO)** – is the United Nations specialized agency with responsibility for the safety and security of shipping and the prevention of marine and atmospheric pollution by ships.
- **ITU**
  - **International Telecommunication Union (ITU)** is a specialized agency of the United Nations (UN) that is responsible for issues that concern information and communication technologies (ICT). It is the oldest among all the specialised agencies of UN.
  - It was founded in 1865 and based in Geneva, Switzerland. It works on the principle of **international cooperation** between governments (Member States) and the private sector (Sector Members, Associates and Academia).
  - ITU is the premier global forum through which parties work towards consensus on a wide range of issues affecting the future direction of the ICT industry.
  - It allocates global radio spectrum and satellite orbits, develop the technical standards that ensure networks and technologies seamlessly interconnect, and strive to improve access to ICTs to underserved communities worldwide.
- **UNESCO**
  - **United Nations Educational, Scientific and Cultural Organization (UNESCO)** was founded in 1945 to develop the “intellectual and moral solidarity of mankind” as a means of building lasting peace. It is located in Paris (France).
  - In this spirit, UNESCO develops educational tools to help people live as global citizens free of hate and intolerance.
  - By promoting cultural heritage and the equal dignity of all cultures, UNESCO strengthens bonds among nations.
- **UNIDO**
  - **United Nations Industrial Development Organization (UNIDO)** promotes industrial development for **poverty reduction, inclusive globalisation and environmental sustainability**.
- **WHO**

- The **World Health Organization (WHO)** is the United Nations' specialized agency for health.
- It was established in 1948, and is headquartered in Geneva, Switzerland.
- It is an inter-governmental organization and works in collaboration with its Member States usually through the Ministries of Health.
- The World Health Organization (WHO) is responsible for
  - providing leadership on global health matters,
  - shaping the health research agenda,
  - setting norms and standards,
  - providing evidence-based policy options,
  - providing technical support to countries,
  - and monitoring and assessing health trends.
- **UNCTAD**
  - **UNCTAD** supports developing countries to access the benefits of a globalized economy more fairly and effectively. It helps to use trade, investment, finance, and technology as vehicles for inclusive and sustainable development.
- **UNODC**
  - **United Nations Office on Drugs and Crime (UNODC)** is a global leader in the fight against illicit drugs and international crime.
  - It was **established in 1997** through a **merger** between the United Nations Drug Control Programme and the Centre for International Crime Prevention.
  - UNODC is mandated to assist Member States in their struggle against illicit drugs, crime and terrorism.
- **UNHCR**
  - The office of the **United Nations High Commissioner for Refugees (UNHCR)** was created in 1950, during the aftermath of the Second World War, to help millions of Europeans who had fled or lost their homes.
  - In 1954, UNHCR won the **Nobel Peace Prize** for its groundbreaking work in Europe.
  - The start of the 21<sup>st</sup> century has seen UNHCR help with major refugee crises in Africa, the Middle East and Asia.
  - It also uses its expertise to help many internally displaced by conflict and expanded its role in helping stateless people.
- **ESCAP**
  - **United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)** is the main economic and social development centre of the UN in the region, headquartered in Bangkok (Thailand) in 1947.
  - It responds to the development needs and priorities of the region through its convening authority, economic and social analysis, normative standard-setting and technical assistance.

## What is UN's Contribution to World?

### Peace and Security

- **Maintaining Peace and Security:** By sending peacekeeping and observer missions to the world's trouble spots over the past six decades, the United Nations has been able to restore calm, allowing many countries to recover from conflict.
- **Preventing Nuclear Proliferation:** For over the five decades, the International Atomic Energy Agency (IAEA) has served as the world's nuclear inspector. IAEA experts work to verify that safeguarded nuclear material is used only for peaceful purposes. To date, the Agency has safeguards agreements with more than 180 States.
- **Supporting Disarmament:** UN treaties are the legal backbone of disarmament efforts:
  - the **Chemical Weapons Convention-1997** has been ratified by 190 States,
  - the **Mine-Ban Convention-1997** by 162,
  - and the **Arms Trade Treaty-2014** by 69.
  - At the local level, UN peacekeepers often work to implement disarmament agreements between warring parties.
- **Preventing genocide:** The United Nations brought about the first-ever treaty to combat genocide—acts committed with the intent to destroy a national, ethnical, racial or religious group.
  - **The 1948 Genocide Convention** has been ratified by 146 States, which commits to prevent and punish actions of genocide in war and in peacetime. The UN tribunals for Yugoslavia and Rwanda, as well as UN-supported

courts in Cambodia, have put would-be genocide perpetrators on notice that such crimes would no longer be tolerated.

- **Uniting for Peace Resolution:** About: **UN General Assembly resolution 377(V)** is known as the Uniting for peace resolution which was adopted in 1950.
  - The most important part of resolution is section A which states that where the Security Council, because of lack of unanimity of the permanent members, fails to exercise its primary responsibility for the maintenance of international peace and security, the General Assembly shall seize itself of the matter.
  - The Uniting for Peace resolution was **initiated by the United States**, in October 1950, as a means of **circumventing further Soviet vetoes** during the course of the **Korean War**.

### **Economic Development**

- **Promoting Development:** Since 2000, promoting living standards and human skills and potential throughout the world have been guided by the **Millennium Development Goals**.
  - The UN Development Programme (**UNDP**) supports more than 4,800 projects to reduce poverty, promote good governance, address crises and preserve the environment.
  - The UN Children's Fund (**UNICEF**) works in more than 150 countries, primarily on child protection, immunization, girls' education and emergency aid.
  - The UN Conference on Trade and Development (**UNCTAD**) helps developing countries make the most of their **trade opportunities**.
  - **The World Bank** provides developing countries with loans and grants, and has supported more than 12,000 projects in more than 170 countries since 1947.
- **Alleviating Rural Poverty:** The International Fund for Agricultural Development (**IFAD**) provides low-interest loans and grants to very poor rural people.
- **Focusing on African Development:** Africa continues to be a high priority for the United Nations. The continent receives **36 per cent of UN system expenditures** for development, the largest share among the world's regions. All UN agencies have special programmes to benefit Africa.
- **Promoting Women's Well-being:** **UN Women** is the UN organization dedicated to gender equality and the empowerment of women.
- **Fighting Hunger:** The Food and Agriculture Organization of the UN (**FAO**) leads global efforts to defeat hunger. FAO also helps developing countries **to modernize and improve agriculture**, forestry and fisheries practices in ways that conserve natural resources and improve nutrition.
- **Commitment in Support of Children:** **UNICEF** has pioneered to provide **vaccines** and other aid desperately needed by children caught in armed conflict. **The Convention on the Rights of the Child-1989** has become law in nearly all countries.
- **Tourism:** The World Tourism Organization is the UN agency responsible for the promotion of responsible, sustainable and universally accessible tourism.
  - Its **Global Code of Ethics for Tourism** seeks to maximize the benefits of tourism while minimizing its negative impact.
- **Global Think Tank:** The United Nations is at the forefront of research that seeks solutions to global problems.
  - **The UN Population Division** is a leading source of information and research on global population trends, producing up-to-date demographic estimates and projections.
  - **The UN Statistics Division** is the hub of the global statistical system, compiling and disseminating global economic, demographic, social, gender, environment and energy statistics.
  - **The United Nations Development Programme's annual Human Development Report** provides independent, empirically grounded analyses of major development issues, trends and policies, including the groundbreaking **Human Development Index**.
  - The United Nations **World Economic and Social Survey**, the World Bank's **World Development Report**, the International Monetary Fund's **World Economic Outlook** and other studies help policymakers to make informed decisions.

### **Social Development**

- **Preserving Historic, Cultural, Architectural and Natural Sites:** The **UNESCO** has helped 137 countries to protect ancient monuments and historic, cultural and natural sites.



- It has negotiated international conventions to preserve cultural property, cultural diversity and outstanding cultural and natural sites. More than 1,000 such sites have been designated as having exceptional universal value - as **World Heritage Sites**.
- Taking the lead on global issues:
  - The first **United Nations conference on the environment** (Stockholm, 1972) helped to alert world public opinion on the dangers faced by our planet, triggering action by governments.
  - The first **world conference on women** (Mexico City, 1985) put women's right, equality and progress on the global agenda.
  - Other landmark events include the first international conference on human rights (Teheran, 1968), the first **world population conference** (Bucharest, 1974) and the first **world climate conference** (Geneva, 1979).
  - Those events **brought together experts and policymakers, as well as activists**, from around the world, prompting sustained global action.
  - Regular follow-up conferences have helped to **sustain the momentum**.

### Human Rights

- UN General Assembly adopted the **Universal Declaration of Human Rights in 1948**.
  - It has helped to enact dozens of legally binding agreements on political, civil, economic, social and cultural rights.
  - UN human rights bodies have focused world **attention on cases of torture, disappearance, arbitrary detention** and other violations.
- **Fostering Democracy:** The UN promotes and strengthens democratic institutions and practices around the world, including by helping people in many countries to participate in free and fair elections.
  - In the 1990s, the UN organized or observed landmark elections in Cambodia, El Salvador, South Africa, Mozambique and Timor-Leste.
  - More recently, the UN has provided crucial assistance in elections in Afghanistan, Burundi, the Democratic Republic of the Congo, Iraq, Nepal, Sierra Leone and Sudan.
- **Ending Apartheid in South Africa:** By imposing measures ranging from an arms embargo to a convention against segregated sporting events, the United Nations was a major factor in bringing about the downfall of the apartheid system.
  - In 1994, elections in which all South Africans were allowed to participate on an equal basis led to the establishment of a **multiracial Government**.
- **Promoting Women's Rights:** The 1979 UN Convention on the Elimination of All Forms of Discrimination against Women, ratified by 189 countries, has helped to promote the rights of women worldwide.

### Environment

- **Climate change** is a global problem that demands a global solution. The Intergovernmental Panel on Climate Change (**IPCC**), which brings together 2,000 leading climate change scientists, issues comprehensive scientific assessments every five or six years.
  - IPCC was established in 1988 under the auspices of the United Nations Environment Programme (**UNEP**) and the **World Meteorological Organization** for the purpose of assessing "the scientific, technical and socioeconomic information relevant for the understanding of the risk of human-induced climate change.
  - UN Framework Convention on Climate Change (UNFCCC) provides foundation for UN members to negotiate agreements to reduce emissions that contribute to climate change and help countries adapt to its effects. (**UNFCCC-1992** is an international environmental treaty adopted and opened for signature at the **Earth Summit** in Rio de Janeiro (Brazil) in 1992.)
  - **Global Environment Facility**, which brings together 10 UN agencies, funds projects in developing countries.
- **Protecting the Ozone Layer:** The UNEP and the World Meteorological Organization (WMO) have been **instrumental in highlighting** the damage caused to Earth's **ozone layer**.
  - **Vienna Convention for the Protection of the Ozone Layer-1985** provided the framework necessary to create regulatory measures for international reductions in the production of chlorofluorocarbons. Convention provided foundation for Montreal protocol.

- **The Montreal Protocol-1987** is an international environmental agreement with universal ratification to protect the earth's ozone layer by eliminating use of ozone depleting substances (ODS) such as chlorofluorocarbons (CFCs) and halons.
- **Kigali amendment (to the Montreal Protocol)-2016:** was adopted to phase down production and consumption of hydrofluorocarbons (HFCs) worldwide.
- **Banning Toxic Chemicals: The Stockholm Convention on Persistent Organic Pollutants-2001** seeks to rid the world of some of the most dangerous chemicals ever created.

#### International Law

- **Prosecuting War Criminals:** By prosecuting and convicting war criminals, the **UN tribunals established for the former Yugoslavia and for Rwanda** have helped to expand international humanitarian and international criminal law dealing with genocide and other violations of international law.
  - **The International Criminal Court** is an independent permanent court that investigates and prosecutes persons accused of the most serious international crimes—genocide, crimes against humanity and war crimes—if national authorities are unwilling or unable to do so.
- **Helping to Resolve Major International Disputes:** By delivering judgments and advisory opinions, the **International Court of Justice (ICJ)** has helped to settle international disputes involving territorial questions, maritime boundaries, diplomatic relations, State responsibility, the treatment of aliens and the use of force, among others.
- **Stability and Order in the World's Oceans:**
  - **The 1982 UN Convention on the Law of the Sea**, which has gained nearly universal acceptance, provides the **legal framework** for all activities in the oceans and seas.
  - It also includes mechanisms for settling disputes.
- **Combating International Crime: The UN Office on Drugs and Crime (UNODC)** works with countries and organizations to counter transnational organized crime by providing legal and technical assistance to fight corruption, money-laundering, drug trafficking and smuggling of migrants, as well as by strengthening criminal justice systems.
  - It has played a key role in brokering and implementing relevant international Treaties, such as the **UN Convention against Corruption-2005** and the **UN Convention against Transnational Organized Crime-2003**.
  - It works to reduce the supply of and demand for **illicit drugs** under the three main **UN conventions on drug control:**
    - the Single Convention on Narcotic Drugs of 1961 (amended 1972),
    - the Convention on Psychotropic Substances-1971,
    - and the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances-1988
- **Encouraging Creativity and Innovation:** The World Intellectual Property Organization (**WIPO**) promotes the protection of intellectual property rights and ensures that all countries are in a position to harness the benefits of an effective intellectual property system.

#### Humanitarian Affairs

- **Assisting refugees:** Refugees fleeing **persecution, violence and war** have received aid from the Office of the UN High Commissioner for Refugees (**UNHCR**).
  - UNHCR seeks long-term or "durable" solutions by helping refugees **repatriate** to their homelands, if conditions warrant, or by helping them to integrate in their countries of **asylum** or to resettle in third countries.
  - Refugees, asylum-seekers and internally displaced persons, mostly women and children, are receiving food, shelter, medical aid, education, and repatriation assistance from the UN.
- **Aiding Palestinian Refugees:** UN Relief and Works Agency for Palestine Refugees in the Near East (**UNRWA**), a relief and human development agency, has **assisted four generations of Palestinian refugees** with education, health care, social services, microfinance and emergency aid.
- **Reducing the Effects of Natural Disasters:** The World Meteorological Organization (**WMO**) has helped to spare millions of people from the calamitous effects of natural and man-made disasters.
  - Its early warning system, which includes thousands of surface monitors, as well as satellites,

- has made it possible to predict with greater accuracy **weather-related disasters**,
- has provided information on the **dispersal of oil spills** and chemical and nuclear leaks and has predicted long-term droughts.
- **Providing Food to the Neediest:** The World Food Programme (**WFP**) is fighting hunger worldwide, delivering food assistance in emergencies and working with communities to improve nutrition and build resilience.

## Health

- **Promoting Reproductive and Maternal Health:** United Nations Population Fund (**UNFPA**) is promoting the right of individuals to make their own decisions on the number and spacing of their children through **voluntary family planning programmes**.
- **Responding to HIV/AIDS:** United Nations Programme on HIV/AIDS (**UNAIDS**) coordinates global action against an epidemic that affects some 35 million people.
- **Wiping Out Polio:** **Poliomyelitis** has been eliminated from all but three countries—Afghanistan, Nigeria and Pakistan—as a result of the **Global Polio Eradication Initiative**.
- **Eradicating Smallpox:** A 13-year effort by the World Health Organization (WHO) resulted in smallpox being declared officially **eradicated from the planet in 1980**.
- **Fighting Tropical Diseases:**
  - WHO programme - **African Programme for Onchocerciasis Control** reduced levels of river blindness (onchocerciasis) in 10 West African countries while **opening up 25 million hectares of fertile land to farming**.
    - **Guinea-worm disease** is on the verge of being eradicated.
    - **Schistosomiasis** and **sleeping sickness** are now under control.
    - **Halting the Spread of Epidemics**
  - Some of the more prominent diseases for which WHO is leading the global response for some of the more prominent diseases including **Ebola**, **meningitis**, **yellow fever**, cholera and influenza, including avian influenza.

## What about UN's Cooperation with India?

### UN Contribution to India

- United Nations agencies, offices, programmes and funds working in India comprise one of the largest **UN field networks** anywhere in the world.
- **The Asian and Pacific Centre for Transfer of Technology (APCTT):**
  - APCTT founded in 1977 at New Delhi, is a Regional Institute of United Nations Economic and Social Commission for Asia and the Pacific (**UNESCAP**) with a geographic focus of the entire Asia-Pacific region.
  - Centre has focused on three specific areas of activity: technology information; technology transfer; and innovation management.
- **Food and Agriculture Organization (FAO):**
  - When FAO began its India operations in 1948, its priority was to transform India's food and farm sectors through technical inputs and support for policy development.
  - Over the years, FAO's contribution has extended to issues such as access to food, nutrition, livelihoods, rural development and sustainable agriculture.
  - With the Sustainable Development Goals (SDGs), much of FAO's focus in India will be on **sustainable agricultural practices**.
- **International Fund for Agricultural Development (IFAD):**
  - IFAD and the Government of India have achieved significant results investing in the **commercialization of smallholding-agriculture** and building small farmers' capacity to increase incomes from market opportunities.
  - IFAD-supported projects have also provided women with access to financial services, such as by linking women's self-help groups with commercial banks.
- **International Labour Organization (ILO):**
  - The first ILO Office in India started in 1928. There are 43 ILO conventions and 1 protocol ratified by India.

### International Organization for Migration (IOM)

- IOM assisted Indian citizens who were among the thousands of people displaced by the **Persian Gulf War (1990s)**.

- In 2001, IOM's prompt and effective assistance during the **Gujarat earthquake** planted the seed of IOM operations in India as a **humanitarian agency**.
- In 2007, recognizing India as a major labour-sending and labour-receiving country and its importance as a remittance-receiving country, IOM began working with migrants on safe and legal migration, warning them of the risks associated with irregular migration.
- **UNESCO - Mahatma Gandhi Institute of Education for Peace and Sustainable Development (MGIEP):**
  - MGIEP is an integral part of UNESCO, established with generous support from the Government of India in 2012 in New Delhi.
  - The Institute's global mandate is to **transform education policies and practices** by developing **innovative teaching and learning methods**.
  - It works for Sustainable Development Goal (SDG) 4.7 – “education for building peaceful and sustainable societies across the world”.
  - A project '**Rethinking Schooling**' was launched by UNESCO-MGIEP with the UNESCO Asia and Pacific Regional Bureau for Education in 2016-17.
  - **The first review of SDGs (4.7) by MGIEP**, was released in **Rethinking Schooling for the 21<sup>st</sup> century**.
- **United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women):**
  - In India, **UN-Women's five priority areas are:**
    - ending violence against women and girls,
    - expanding women's leadership and participation,
    - making gender equality central to national development planning and budgeting,
    - enhancing women's economic empowerment,
    - and engaging women as global peace-builders and negotiators.
  - UN Women advocates for greater participation of women in politics and decision-making, and **works with planning bodies such as NITI Aayog** to ensure that policies and budgets reflect the needs of women.
- **Joint United Nations Programme on HIV/AIDS (UNAIDS):** Its mission is to help prevent new HIV infections, care for people living with HIV and mitigate the impact of the epidemic.
- **United Nations Development Programme (UNDP):**
  - In the 1950s and 1960s, UNDP helped establish institutions of major national importance, including **space centres and nuclear research laboratories**.
  - Over the last decade, UNDP has focused on building the **resilience of people faced with the risks of natural disasters and climate change**, and of **minorities to various forms of discrimination**.
- **United Nations Economic and Social Commission for Asia and the Pacific (ESCAP):**
  - In December 2011, a new South and South-West Asia office of ESCAP was inaugurated in New Delhi to serve 10 countries in the sub-region.
  - As it **moves up the development ladder**, India has been **sharing its experience and capabilities with fellow developing countries** in the region and beyond, using ESCAP's platform for this purpose.
- **UNESCO**
  - In India, UNESCO has provided technical support to several premier educational institutions.
  - As part of its **World Heritage programme**, it has recognized 27 cultural heritage sites in India, such as the Taj Mahal and the Rock Shelters of Bhimbetka in Madhya Pradesh.
  - UNESCO has also played a pioneering role in the **development of community radio** in India, having helped to formulate the Community Radio Policy of 2002.
- **United Nations Population Fund (UNFPA)**
  - Currently, UNFPA is placing greater emphasis on policy development and advocacy reflecting India's middle-income status.
  - It raises **awareness about demographic shifts towards older populations** and about the need to harness the opportunities and address the **challenges of population ageing**.
- **United Nations Commission on Human Settlements (UN-Habitat)**
  - UN-Habitat promotes socially and environmentally **sustainable towns and cities** with the goal of providing **adequate shelter for all**.
  - UN-Habitat's initiatives in India include supporting government projects on sanitation coverage in urban areas, urban water supply and environmental improvement, and supporting organizations that empower women's group and youth groups to fight social exclusion.

- **UN-Habitat "World Cities Report 2016"**
  - As per **Census 2011, 377 million Indians** comprising 31.1% of the total population lived in **urban areas**.
  - This is estimated to have risen to **420 million in 2015**.
- **UN-Habitat-New Urban agenda (NUA)-2017** addresses **Goal-11 of the Sustainable Development Goals (SDG)**: "Make cities and human settlements inclusive, safe, resilient, and sustainable."
- India launched the Atal Mission for Rejuvenation and Urban Transformation (**Amrut**), **Smart Cities, Hriday** (National Heritage City Development and Augmentation Yojana), and **Swachh Bharat** prominently **allied to the goals of the UN-Habitat-NUA**.
- **United Nation Children's Fund (UNICEF)**
  - In 1954, UNICEF signed an agreement with the Government of India to fund the **Aarey and Anand milk processing plants**. In return, free and subsidised milk would be provided to needy children in the area.
    - Within a decade, India had thirteen UNICEF assisted milk processing plants.
    - Today, India has become the world's largest producer of milk.
  - **Polio Campaign-2012**: The Government, in partnership with UNICEF, the World Health Organization (WHO), the Bill & Melinda Gates Foundation, Rotary International and the Centers for Disease Control and Prevention **contributed to almost universal awareness of the need to vaccinate all children under five** against polio.
    - As a result of these efforts, India was removed from the list of endemic countries in 2014.
    - It is also supporting nationwide **campaigns on maternal and child nutrition** and the reduction of neonatal mortality and stillbirth rates to single digits by 2030.
- **United Nations Industrial Development Organization (UNIDO)**:
  - The programme, **Integrated Approach Programme on Sustainable Cities-2017** funded by the **Global Environment Facility** and co-implemented by the **World Bank** and **UNIDO**.
- **World Food Programme (WFP)**
  - WFP is working to improve the efficiency, accountability and transparency of India's own **subsidized food distribution system**, which brings supplies of wheat, rice, sugar and kerosene oil to around 800 million poor people across the country.
- **World Health Organization (WHO)**
  - India became a party to the WHO Constitution on 12 January 1948.
  - The WHO Country Office for India is headquartered in Delhi with country-wide presence.
  - It has also been instrumental in the country's transition from **hospital-based to community-based care** and the resultant increase in health posts and centres focusing on primary care.
  - **The WHO Country Cooperation Strategy – India (2012-2017)** has been jointly developed by the Ministry of Health and Family Welfare (MoH&FW) and the WHO Country Office for India (WCO).
- **United Nations High Commissioner for Refugees (UNHCR)**
  - India has a long tradition of receiving refugees that goes back centuries.
  - UNHCR's support to India dates back to 1969-1975 when it coordinated aid to Tibetan refugees as well as refugees from then East Pakistan.
  - UNHCR's urban operation is based in New Delhi with a smaller presence in Chennai that helps Sri Lankan refugees in Tamil Nadu voluntarily repatriate back to Sri Lanka.
  - In the **absence of a national legal framework for refugees**, UNHCR conducts refugee status determination under its mandate for asylum seekers who approach the Office.
  - The two largest groups of refugees recognized by UNHCR are **Afghans** and **Myanmar** nationals, but people from countries as diverse as Somalia and Iraq have also sought help from the Office.
- **United Nations Military Observer Group in India and Pakistan (UNMOGIP)**
  - Under the scheme of partition provided by the **Indian Independence Act of 1947**, Kashmir was free to accede to India or Pakistan. Its accession to India became a matter of dispute between the two countries and fighting broke out later that year.
  - In January 1948, the Security Council adopted resolution 39, establishing the United Nations Commission for India and Pakistan (**UNCIP**) to investigate and mediate the dispute.
  - **The first team of unarmed military observers**, which eventually **formed** the nucleus of the United Nations Military Observer Group in India and Pakistan (**UNMOGIP**), arrived in the mission area in January 1949 to

supervise, in the State of Jammu and Kashmir, **the ceasefire** between India and Pakistan and to assist the Military Adviser to UNCIP.

- At the end of 1971, hostilities broke out again between India and Pakistan. UNMOGIP started along the borders of East Pakistan and were related to the movement for independence, which had developed in that region and which ultimately led to the creation of Bangladesh.
- The last report of the Secretary-General to the Security Council on UNMOGIP was published in 1972.
- Since 1972, India has adopted a **non-recognition policy towards third parties** in their bilateral exchanges with Pakistan over the question regarding the state of Jammu and Kashmir.
  - The military authorities of Pakistan have continued to lodge alleged ceasefire violations complaints with UNMOGIP.
  - The military authorities of India have lodged no complaints since January 1972 limiting the activities of the UN observers on the Indian-administered side of the Line of Control, though they continue to provide necessary security, transport and other services to UNMOGIP.
- **United Nations Office on Drugs and Crime (UNODC)**
  - UNODC has worked in India over the last 25 years to address drug trafficking in the context of a constantly evolving drug market, involving an increasing number of drugs and psychoactive substances.
  - It also works with the government to address human trafficking, and the prevention, treatment and care of persons who use drugs and live with HIV.
- **United Nations Conference on Trade and Development (UNCTAD)**
  - **Invest India**, the country's investment promotion body, has won **United Nations (UN) Award for excellence in promoting investments in sustainable development-2018**.
  - The awards are given annually by UNCTAD since 2002 as part of its investment promotion and facilitation.
  - India's consistently strong voice for the developing world has made it a major player with UNCTAD, spanning a multiplicity of economic reforms.

#### **India's contribution to UN**

- India was one of the original members of the League of Nations. As a signatory of **the Treaty of Versailles-1919**, India was granted automatic entry to the League of Nations.
  - India was represented by her Secretary of State, Edwin Samuel Montagu; the Maharaja of Bikaner Sir Ganga Singh; Satyendra Prasanno Sinha, Parliamentary Under-Secretary of State for India.
- India was among the original members of the United Nations that signed the **Declaration by United Nations** at Washington, D.C. in 1944. This declaration became the basis of the United Nations (UN), which was formalized in the **United Nations Charter** signed by 50 countries in 1945.
- By 1946, India had started raising concerns regarding **colonialism, apartheid and racial discrimination**.
- India was among the most outspoken critics of apartheid and racial discrimination (discriminatory treatment of Indians in the Union of South Africa) in South Africa, being the first country to have raised the issue in the UN in 1946.
- India took an active part in Drafting of the **Universal Declaration of Human Rights-1948**.
- Its experience with the UN had not always been positive. On **Kashmir issue**, Nehru's faith in the UN and adherence to its principles proved costly as UN that was packed with **pro-Pakistani partisan powers**.
- **Vijaya Lakshmi Pandit** was elected the **first woman President of the UN General Assembly** in 1953.
- India's status as a **founding member of the Non-Aligned Movement (NAM)** and the **Group of 77 (G-77)** cemented its position within the UN system as a leading advocate of the concerns and aspirations of developing countries and the creation of a **more equitable international** economic and political order.
- It involved in conflict with China (1962), two wars (1965, 1971) with Pakistan and entered a period of **political instability**, economic stagnation, **food shortages** and near-**famine** conditions.
  - India's role diminished in the UN which came both as a result of its image and a deliberate decision by the post-Nehru political leadership **to adopt a low profile** at the UN and **speak only on vital Indian interests**.
- India has been a member of the UN Security Council for seven terms (a total of 14 years), with the most recent being the 2011–12 term.
- India is a member of **G4 (Brazil, Germany, India and Japan)**, a group of nations who back each other in seeking a permanent seat on the Security Council and advocate in favour of the reformation of the UNSC.

- The Russian Federation, United States, United Kingdom and France support India and the other G4 countries gaining permanent seats.
- India is also part of the G-77.
  - The Group of 77 (G-77) was established on 15 June 1964 by seventy-seven developing countries signatories of the “**Joint Declaration of the Seventy-Seven Developing Countries**”.
  - It is designed to promote its members' collective economic interests and create an enhanced joint negotiating capacity in the United Nations.
  - Because of the historical significance, the name G-77 has been kept despite the group's growth to include more than 130 countries.
- **UN peacekeeping missions:** From protecting civilians, disarming ex-combatants and helping countries transition from conflict to peace, India has served the cause of peace.
  - At present (2019), India is the third largest troop contributor with 6593 personnel deployed with UN Peacekeeping Missions (Lebanon, Congo, Sudan and South Sudan, Golan Heights, Ivory Coast, Haiti, Liberia).
  - India has suffered the highest number of fatalities (164 out of close to 3,800 personnel) among countries that have sent forces to the United Nations peacekeeping mission since 1948.
- **Mahatma Gandhi** has had a lasting influence on the United Nations. His ideals of non-violence deeply influenced the United Nations at the time of its inception.
  - In 2007, the United Nations declared 2<sup>nd</sup> October, Mahatma's Gandhi's birthday, as the **International day of non-violence**.
- In 2014, the UN General Assembly adopted a resolution commemorating **21 June** as the **International Yoga Day**.
  - It recognises the holistic benefits of this timeless practice and its inherent compatibility with the principles and values of the United Nations.
- **Plea for International Equality Day:** In 2016, with focus on **combating inequalities to achieve Sustainable Development Goals, B. R. Ambedkar's birth anniversary** was observed at the United Nations for the first time. India has made a plea to declare **April 14** as International Equality Day.

### What Challenges are Faced by the UN & What Reforms can be Brought?

#### UN Administrative & Financial-Resources Challenges

- **Development Reform: Sustainable Development Goals (Agenda 2030)** will require bold changes to the UN Development System (UNDS) for the emergence of a **new generation of country teams**, centred on a strategic UN Development Assistance Framework and led by an impartial, independent and empowered resident coordinator.
- **Management Reform:** To confront **global challenges and to remain relevant in a fast-changing world**, United Nations must empower managers and staff, simplifies processes, increases accountability and transparency and improves on the delivery of our mandates.
  - There are concerns for improving efficiency, avoidance of duplication, and the minimization of waste in the functioning of the entire UN system.
- **Financial Resources:** Contributions of the Member States should have, as their fundamental underpinning, the capacity to pay principle.
  - The Member States should pay their contributions unconditionally, in full and on time, as delays in payments have caused an unprecedented financial crisis in the UN system.
  - **Financial reforms** hold the key to the future of the world body. **Without sufficient resources**, the UN's activities and role would suffer.

#### Peace and Security issues

- **Threats to Peace and Security:** The range of potential threats to peace and security that UN has to face, are following-
  - poverty, disease, and environmental breakdown (the threats to human security identified in the **Millennium Development Goals**),
  - conflict between states,
  - violence and massive human rights violations within states,
  - terrorism threats from organized crime,
  - and the proliferation of weapons - particularly WMD, but also conventional.



- **Terrorism:** Nations that support groups that are widely linked to terrorism, such as Pakistan, are not held accountable specifically for these actions. To this date, the UN still does not have a clear definition of terrorism, and they have no plans to pursue one.
- **Nuclear Proliferation:** In 1970, the **nuclear non-proliferation treaty** was signed by 190 nations. Despite this treaty, nuclear stockpiles remain high, and numerous nations continue to develop these devastating weapons. **The failure of the non-proliferation treaty details the ineffectiveness of the United Nations** and their inability to enforce crucial rules and regulations on offending nations.

### Security Council Reforms

- **Composition of Security Council:** It has remained largely **static**, while the UN General Assembly membership has expanded considerably.
  - In 1965, the membership of the Security Council was expanded from 11 to 15. There was no change in the number of permanent members. Since then, the size of the Council has remained frozen.
  - This has undermined the representative character of the Council. An expanded Council, which is more representative, will also enjoy greater political authority and legitimacy.
  - India has been calling for the reform of the UN Security Council along with Brazil, Germany and Japan (G-4). The four countries support each others' bids for the permanent seats in the top UN body.
  - Any expansion of permanent members' category must be based on an agreed criteria, rather than be a pre-determined selection.
- **UNSC Veto power:** It is often observed that UN's effectiveness and responsiveness to international security threats depends on judiciously use of the UNSC veto.
  - **Veto Power:** The five permanent members enjoy the luxury of veto power; when a permanent member vetoes a vote, the Council resolution cannot be adopted, regardless of international support. Even if the other fourteen nations vote yes, a single veto will beat this overwhelming show of support.
  - There are **proposals on future of Veto power:**
    - limiting the use of the veto to vital national security issues;
    - requiring agreement from multiple states before exercising the veto;
    - abolishing the veto entirely;
  - Any reform of the veto will be very difficult:
    - **Articles 108 and 109** of the **United Nations Charter** grant the P5 (5 permanent members) veto over any amendments to the Charter, requiring them to approve of any modifications to the UNSC veto power that they themselves hold.

### Non-Conventional Challenges

- Since its creation, UN is working with goal of safeguarding peace, protecting human rights, establishing the framework for international justice and promoting economic and social progress. New challenges, such as **climate change, refugees and population ageing are new fields** it has to work.
- **Climate Change:** From shifting weather patterns that threaten food production, to rising sea levels that increase the risk of catastrophic flooding, the impacts of climate change are global in scope and unprecedented in scale. Without drastic action today, adapting to these impacts in the future will be more difficult and costly.
- **Growing population:** The world population is projected to increase by more than one billion people within the next 15 years, reaching **8.5 billion in 2030**, and to increase further to 9.7 billion in 2050 and 11.2 billion by 2100.
  - The world population growth rate must slow down significantly **to avoid reaching unsustainable levels**.
- **Population Ageing:** It is poised to become one of the most **significant social transformations** of the twenty-first century, with implications for nearly all sectors of society, including labour and financial markets, the demand for goods and services, such as housing, transportation and social protection, as well as family structures and intergenerational ties.
- **Refugees:** The world is witnessing the highest levels of displacement on record.
  - An unprecedented 65.6 million people around the world have been forced from home by conflict and persecution at the end of 2016.
  - Among them are nearly 22.5 million refugees, over half of whom are under the age of 18.
  - There are also 10 million stateless people, who have been denied a nationality and access to basic rights such as education, healthcare, employment and freedom of movement.

## Conclusion

- Despite having many short-comings, UN has played a crucial role making this human society more civil, more peaceful & secure in comparison to time of its origin at 2<sup>nd</sup> World War.
- United Nations, being the world's largest democratic body of all nations, its responsibility towards humanity is very high in terms of building democratic society, economic development of people living in acute poverty, & preserving the Earth's Ecosystem in concern with Climate Change.

### a. UN PEACEKEEPING MISSION:

Recently, the **Indian Army** commemorated the **75<sup>th</sup> International Day of United Nations (UN) Peacekeepers on 29th May (which was designated by the UN General Assembly)** at the **National War Memorial** in New Delhi.

- **Theme 2023: 'Peace begins with me'**.
- This day holds significance as it marks the anniversary of the first **UN peacekeeping (UNPK) mission in 1948**.
- Additionally, India unveiled plans to conduct two initiatives later in 2023, specifically designed to train **women personnel from South East Asia, as part of their collaboration with ASEAN in the defence sector**.

### What is India-ASEAN Initiative for Women in UNPK operations?

- The 'India-ASEAN Initiative for women in UNPK operations' refers to a collaborative effort between **India and the Association of Southeast Asian Nations (ASEAN)** to promote the **participation of women in UNPK operations**.
- This initiative focuses on **providing training and support to women personnel** from ASEAN member-states who are interested in serving as peacekeepers.
- Under this initiative, India has announced two specific initiatives:
  - **Specialized courses at the Centre for United Nations Peacekeeping (CUNPK)** in New Delhi. These courses will offer targeted training in peacekeeping operations to women peacekeepers from ASEAN countries.
  - The aim is to **equip them with the necessary skills and knowledge** to effectively contribute to UNPK missions.
  - **Table Top Exercise for women officers from ASEAN**. This exercise will **simulate various scenarios and challenges faced by UN peacekeepers**, allowing participants to enhance their understanding and preparedness for UNPK operations.

### What is UN Peacekeeping?

- **About:**
  - UN Peacekeeping is a vital tool employed by the **United Nations** to help **countries navigate the path from conflict to peace**.
  - It involves the **deployment of military, police, and civilian personnel** to regions affected by conflicts or political instability.
  - The primary objective of UN Peacekeeping is to **facilitate peace and security, protect civilians**, and support the **restoration of stable governance structures**.
  - It brings together **the UN General Assembly, the UN Security Council, the Secretariat, troop and police contributors** and the host governments in a combined effort to maintain international peace and security.
- **First Mission:**
  - The first UN peacekeeping mission was established in May 1948, when the **UN Security Council** authorized the deployment of **UN military observers to the Middle East** to form the United Nations Truce Supervision Organization (UNTSO) to monitor the **Armistice Agreement between Israel and its Arab neighbours**.
- **Mandates:**
  - The mandates **vary from operation to operation**, but they generally include some or all of the following elements:
    - Monitoring ceasefires, peace agreements, and security arrangements.
    - Protecting civilians, especially those at risk of physical harm.
    - Facilitating political dialogue, reconciliation, and supporting elections.
    - Building rule of law, security institutions, and promoting human rights.
    - Delivering humanitarian aid, supporting refugee reintegration, and promoting environmental sustainability.

▪ **Principles:**

○ **Consent of the Parties:**

- Peacekeeping operations require the **consent of the main parties involved in the conflict**.
- Without consent, a peacekeeping operation risks becoming a **party to the conflict** and deviating from its peacekeeping role.

○ **Impartiality:**

- Peacekeepers should maintain **impartiality in their dealings** with the parties to the conflict.
- **Impartiality does not mean neutrality**; peacekeepers should **actively execute their mandate and uphold international norms**.

○ **Non-use of Force except in self-defence and defence of the mandate:**

- Peacekeeping operations should refrain from using force, except when necessary for **self-defence** and **protection of their mandate**.
- "Robust" peacekeeping allows the use of force with Security Council authorization and consent from the host nation and parties involved.

▪ **Achievements:**

- Since its inception in 1948, UN Peacekeeping has played a crucial role in ending conflicts and promoting reconciliation in numerous countries.
- Successful peacekeeping missions have been carried out in places like **Cambodia, El Salvador, Mozambique, and Namibia**.
- These operations have **made a positive impact on restoring stability**, enabling the **transition to democratic governance**, and fostering economic development.

**What are India's Contributions in UN Peacekeeping?**

▪ **Troop Contribution:**

- India has a rich legacy of contributing to UN Peacekeeping operations. It is one of the **largest troop-contributing countries**, with a history of deploying soldiers, medical personnel, and engineers to various peacekeeping missions worldwide.
- India has contributed approximately 2,75,000 troops to peacekeeping missions so far.

▪ **Casualties:**

- Indian Army soldiers have made significant sacrifices while serving in UN Peacekeeping Missions, with 179 soldiers losing their lives in the line of duty.

▪ **Training and infrastructure:**

- The Indian Army has established the **Centre for United Nations Peacekeeping (CUNPK)** in New Delhi.
- This center provides specialized training for more than 12,000 troops every year in peacekeeping operations, hosting national and international courses for potential peacekeepers and trainers.
- CUNPK plays a crucial role in sharing best practices and enhancing the capacity of peacekeepers.

▪ **Women in Peacekeeping:**

- India has taken proactive measures to promote gender equality in peacekeeping operations.
- India has deployed **Female Engagement Teams** in **United Nations Organization Stabilization Mission in the Democratic Republic of the Congo** and **United Nations Interim Security Force for Abyei**, which is the **second largest women contingent after Liberia**.
- India has also deployed **Women Military Police in United Nations Disengagement Observer Force** and women staff officers and military observers in various missions.

**b. DOHA POLITICAL DECLARATION:**

The 5<sup>th</sup> **United Nations Conference on the Least Developed Countries (LDC5)** concluded with adoption of the '**Doha Political Declaration**' by the world leaders.

- The declaration is a key outcome of the **second part of LDC5 conference** held under the **theme "From Potential to Prosperity"** in Qatar.

**What are the Key Highlights of the Declaration?**

▪ **Doha Programme of Action:**

- It focuses on implementing the **Doha Programme of Action (DPoA)**, the 10-year plan to put the **world's 46 most vulnerable countries back on track** to achieving the **Sustainable Development Goals (SDG)**.
- DPoA for the Decade (2022-2031) was agreed upon during the first part of the LDC5 conference in March 2022 in New York, the US.
- DPoA (2022-2031) consisted of **Six Key Focus Areas**,
  - Eradicating **Poverty**
  - Leveraging the potential of science and technology to fight against multidimensional vulnerabilities and to achieve the SDGs
  - Addressing **Climate Change**
  - Environmental Degradation
  - Recovering from **Covid-19** and building resilience against future shocks for risk-informed sustainable development.

#### Need for the Declaration:

The 46 LDCs are being hit the hardest by multiple crises including the **Covid-19 Pandemic, Climate Crisis**, growing Inequalities, rising Debt Burdens and economic shocks.

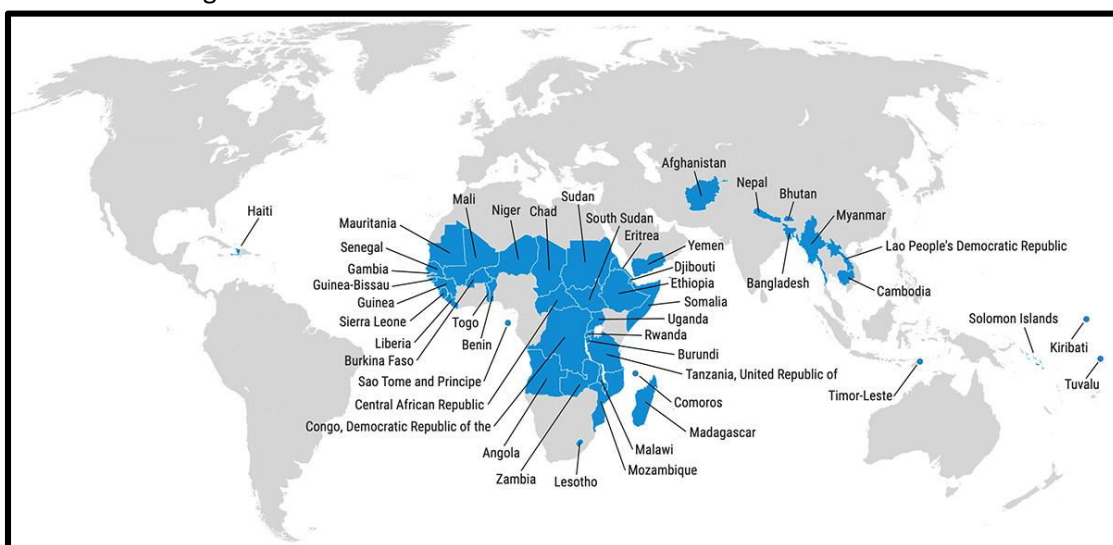
They have contributed **minimally to Carbon Dioxide Emissions**, but disproportionately **bear the burden of climate change impacts**.

These countries, which include 33 African nations, face the challenge of high **debt costs while having inadequate liquidity** to provide essential services.

The LDCs are the **worst performers on the progress made towards achieving SDGs**, according to the **Sustainable Development Report 2022**.

#### What are LDCs?

- LDCs are a group of countries identified by the United Nations as having the **lowest indicators of socioeconomic development**. These countries are characterized by high levels of poverty, low levels of human capital, and limited access to basic services, such as healthcare and education.
- Currently, **there are 46 countries** on the United Nations' list of LDCs.
  - Africa (33);
  - Asia (9);
  - Caribbean (1): Haiti;
  - Pacific (3): Kiribati, Solomon Islands and Tuvalu.
- The list of LDCs is reviewed **every three years by the Committee for Development Policy (CDP)**, a group of independent experts that report to the **Economic and Social Council (ECOSOC)** of the United Nations.
- Following a triennial review of the list, the CDP may recommend, in its report to ECOSOC, countries for addition to the list or graduation from LDC status.



## 50. ASIAN DEVELOPMENT BANK (ADB):

Asian Development Bank or ADB is an important international organization that affects India and other nations, especially in the financial sector

**The Asian Development Bank (ADB) has appointed Election Commissioner Ashok Lavasa as its vice-president (V-P) for private sector operations and public-private partnerships.**

### Asian Development Bank (ADB)

<b>When was it established?</b>	1966
<b>Where is its head office located?</b>	Manilla, Philippines
<b>How many members does it have?</b>	68 shareholding members including 49 from the Asia and Pacific region
<b>Who was its first President?</b>	Takeshi Watanabe
<b>Who is ADB's current President?</b>	Masatsugu Asakawa (Assumed office from 17th January 2020). He was the Special Advisor to Japan's Prime Minister and Minister of Finance.
<b>What is the purpose of ADB?</b>	To provide prosperity, inclusivity, resilience, and sustainability to Asia and Pacific along with eradication of poverty
<b>What is Strategy 2030 for ADB?</b>	Strategy 2030 sets the course for the Asian Development Bank (ADB) to respond effectively to the region's changing needs. Under Strategy 2030, ADB will sustain its efforts to eradicate extreme poverty and expand its vision to achieve a prosperous, inclusive, resilient, and sustainable Asia and the Pacific
<b>Is India a founding member of ADB?</b>	Yes, India is a founding member of the Asian Development Bank

1. Asian Development Bank (ADB) was established in the year 1966, with head office at Manila (Philippines). It has 67 members from the Asia Pacific region. This bank was modeled on the lines of the world bank.
2. Japan holds the largest share in ADB with 15.677%, followed by U.S.A (15.567%), China (6.473%), and India (5.812%).
3. The aim of the ADB is social development by reducing poverty in the Asia Pacific with inclusive growth, sustainable growth, and regional integration. This is carried out through an 80% investment in the public sector.
4. ADB invests in infrastructure, health, public administration system, helping nations to reduce the impact of climate change and to manage natural resources.

### Asian Development Bank (ADB) & India

India started availing of ADB's assistance in 1986. The aim is of Asian Development Bank is to support India in the following fields:

- Industrial competitiveness
- Jobs creation
- Growth acceleration of low-income states
- Environmental and climate change challenges

**There are six sectors in India where we can see ADB's presence:**

1. Transport
2. Energy
3. Water and urban services
4. Finance and public sector management
5. Agriculture and natural resources, and
6. Human development

**The projects in India spanning 25 states where ADB has assisted/is assisting are:**

- Railways and mass rapid transit system
- Renewable energy and energy efficiency
- Coastal protection
- Riverbank strengthening & river basin management
- Urban environmental management, including water management, sanitation, and sewerage and solid waste management.

**Recent development between ADB & India:**

- ADB and India have signed a loan of \$206 million to strengthen urban services in 5 Tamil Nadu cities
- Asian Development Bank (ADB) has listed its 10-year masala bonds worth Rs 850 crore on the global debt listing platform of India INX
- Asian Development Bank (ADB) had prepared a Conceptual Development Plan (CDP) for Vizag-Chennai Industrial Corridor (VCIC)
- ADB has offered to provide USD 4 million to member countries to contain coronavirus outbreaks.
- The Asian Development Bank (ADB) will provide Rs 100 crore loan to hospital chain Medanta for healthcare services and medical equipment to fight the COVID-19 pandemic. The project will support the purchase of personal protective equipment, basic hygiene products, and patient care equipment such as ventilators and beds.

**RULES BASED WORLD ORDER:**

- It is a commitment by all countries to abide by established rules, including international law, trade agreements, and regional security arrangements.
- India asserts that no single power or group should unilaterally alter this order.
- India's growing global influence positions it as a leader.
- **Need for a Rules-Based Multi-Polar World Order:**
  - In a highly interconnected world, interdependence is prominent.
  - A rules-based order promotes international trade, stability, and peace.
  - International cooperation is vital for addressing global challenges like climate change and pandemics.
  - Trade, commerce, and peace thrive when nations collaborate.
- **Present Status:**
  - India is engaged in various forums such as ASEAN, BRICS, G-20, and more.
  - Neighbourhood First policy prioritizes improving regional relations.
  - Emphasis on maritime security, participating in the Indian Ocean Rim Association (IORA) and the Quad.
  - Oceans play a crucial role in Indian trade.
- **India's Role:**
  - As the world's largest democracy, India aims to shape the 21st-century world order.
  - Economic growth makes India a key player in strategic affairs.
  - Responding to China's Belt and Road Initiative, India promotes a multi-polar world order.
- **Concerns/Challenges:**
  - India's bilateral relations are stronger than multilateral ones.
  - China's BRI involvement in South Asia challenges India.
  - China's influence in South Asia raises strategic concerns.
  - India competes with China in various forums.
  - Effectiveness of organizations like the Commonwealth and Non-Aligned Movement questioned.
  - Tensions with Pakistan hinder regional cooperation.
  - Rising protectionism and terrorism concerns.

- **Way Forward:**

- Focus on multilateral forums, Neighbourhood First policy, and the maritime domain.
- Develop a clear vision for shaping the world order.
- Strengthen cooperation with major powers.
- Clarify goals for the Quad.
- Transform the Commonwealth into a pillar of a new multi-polar order.
- Uphold freedom of navigation and combat terrorism.
- Align foreign policy with economic development and regional stability.
- Collaborate with major powers to shape a stable multi-polar world order.

## 51. EVOLVING DYNAMICS OF INDIA'S FOREIGN POLICY:

India is **one of the most ancient civilizations in the world** and from ancient times, India's foreign policy remained independent whether it was the Mauryan Empire, the Gupta Empire or the Mughal Empire.

Determinants/Objectives of India's Foreign Policy

The foreign policy of India or any country is shaped by two factors – **domestic and international**. Domestically, India's history, culture, geography and economy have played an important role in determining the objectives and principles of India's foreign policy.

The **international factor, which is marked by the Cold War rivalry between NATO and the Warsaw Pact, the founding of the UN, the weapons race, notably the nuclear arms race, anti-colonialism and anti-imperialism**, etc.

The **3 S's** – **Space** for Strategic Autonomy, **Stability** – Both Within and in the Neighbourhood, **Strength** – Economic, Military, and Soft Power to Protect and Advance Indian Interests – have been mentioned by many specialists as the best way to summarise the objectives of Indian Foreign Policy.

Today, India is in selected countries of the world in military field, space, religious culture etc. and India has used them better in its foreign policy formulation.

Through foreign policy India wants to be seen as **peace-loving, mature, law-abiding and trust worthy country** while trying to benefit from friendly contacts with other countries in the society of nations.

**Evolution of India's Foreign Policy:** India's foreign policy traces its roots to the pre-independence Indian National Movement. In 1921, the All-India Congress Committee marked a pivotal moment by passing a resolution on foreign policy. In 1927, another significant resolution stressed the need for independent external relations. These early actions showcased India's awareness of global issues.

After gaining independence in 1947, India formulated its foreign policy, emphasizing friendship, cooperation, and good relations with all nations, regardless of their political systems. Prioritizing neighbors, India's post-independence foreign policy centered on non-alignment. This choice was influenced by the Cold War and superpower politics, leading to India's commitment to non-involvement and non-alignment as its fundamental foreign policy principles.

### Timeline of Indian Foreign Policy since Independence:

- **1947:**
  - India gains independence from British colonial rule.
  - India's foreign policy emphasizes non-alignment and peaceful coexistence.
  - **Global Context:** The world is recovering from World War II, and the Cold War between the United States and the Soviet Union is intensifying.
- **1950:**
  - India becomes a founding member of the Non-Aligned Movement (NAM) during the First NAM Summit in Belgrade.
  - **Global Context:** The Cold War intensifies, with the U.S. and USSR leading rival blocs of countries.
- **1955:**
  - India hosts the first Asia-Africa Conference in Bandung, Indonesia, to promote Afro-Asian solidarity.
  - **Global Context:** Decolonization movements are gaining momentum in Asia and Africa.
- **1962:**



- India faces a border conflict with China in the Himalayas, leading to strained relations.
- **Global Context:** The Sino-Soviet split becomes evident, affecting geopolitics.
- **1965:**
  - India engages in a brief war with Pakistan over the Kashmir issue.
  - **Global Context:** The Cold War continues to influence conflicts worldwide.
- **1971:**
  - India supports Bangladesh's struggle for independence from Pakistan and intervenes in the conflict.
  - **Global Context:** Cold War dynamics shape international responses to regional conflicts.
- **1974:**
  - India conducts its first successful nuclear test, marking a shift in its nuclear policy.
  - **Global Context:** Nuclear non-proliferation efforts are underway, and the superpowers are engaged in arms control negotiations.
- **1977:**
  - India adopts a new foreign policy approach under the Janata Party government, emphasizing closer relations with the United States and the West.
  - **Global Context:** The Cold War continues, with the U.S. and USSR seeking allies around the world.
- **1980s:**
  - India develops closer ties with the Soviet Union during the Cold War.
  - **Global Context:** The Cold War sees various proxy conflicts and arms race.
- **1991:**
  - India begins economic liberalization and globalization, leading to increased engagement with the global economy.
  - **Global Context:** The collapse of the Soviet Union transforms the global geopolitical landscape.
- **1998:**
  - India conducts a series of nuclear tests, prompting international sanctions.
  - **Global Context:** The Comprehensive Test Ban Treaty (CTBT) negotiations are ongoing.
- **2000s:**
  - India strengthens its ties with the United States and other major world powers.
  - **Global Context:** Globalization and the fight against terrorism become key international issues.
- **2008:**
  - India signs a civil nuclear agreement with the United States, signaling a deeper strategic partnership.
  - **Global Context:** The U.S. aims to build strategic partnerships in Asia.
- **2014:**
  - Narendra Modi becomes Prime Minister, focusing on economic diplomacy and improving relations with neighboring countries.
  - **Global Context:** Asia's economic importance continues to rise, and regional security challenges persist.
- **2016:**
  - India conducts "Surgical Strikes" against terrorist camps in Pakistan-occupied Kashmir, leading to heightened tensions.
  - **Global Context:** Terrorism and regional conflicts remain significant global challenges.
- **2019:**
  - India revokes Article 370, which granted special autonomy to Jammu and Kashmir, leading to tensions with Pakistan and China.
  - **Global Context:** Geopolitical rivalries intensify, with China's assertiveness becoming a prominent concern.
- **2020:**
  - India faces a border clash with China in the Galwan Valley.
  - **Global Context:** The COVID-19 pandemic creates disruptions and strains in international relations.
- **2021:**
  - India continues its efforts to strengthen economic and strategic partnerships globally, addressing challenges like the COVID-19 pandemic and climate change.
  - **Global Context:** The world grapples with the ongoing pandemic and increasing climate change concerns.

#### India under Nehru:

- Jawaharlal Nehru, a key figure in the Indian National Congress, played a central role in shaping India's foreign policy, earning him the title of the main architect of Indian foreign policy.
- Nehru outlined India's foreign policy goals, which included opposing colonialism and racism, seeking independence

from power blocs, and fostering close ties with China and Asian neighbors.

- Nehru emphasized India's commitment to staying away from power politics and declared that India would not remain neutral when freedom, justice, or aggression were at stake.
- Non-alignment became a core principle of India's foreign policy under Nehru, allowing India to make independent decisions on global issues without prior commitments.
- Nehru's focus was on achieving domestic goals like poverty alleviation and economic growth, so he avoided aligning with major powers in the Cold War, which could divert resources from these priorities.
- Nehru introduced the concept of Panchsheel (five principles) to guide international relations, drawing from ancient Buddhist scriptures.
- The Panchsheel agreement, initially applied to India-China relations, included principles such as mutual respect for territorial integrity and sovereignty, mutual non-aggression, and peaceful co-existence.
- These principles were later adopted in India's relationships with other countries, contributing to peace and security globally.
- The Bandung Conference in 1955 and the United Nations General Assembly in 1957 endorsed these principles, which also became core tenets of the Non-Alignment Movement.
- Panchsheel principles promote non-use of force, tolerance, and peaceful co-existence, allowing nations to cooperate for peace and prosperity while preserving their national identities.

### **Non-Alignment Movement**

Non-alignment aimed to **maintain national independence in foreign affairs by not joining any of the military alliance formed by the USA and Soviet Union** in the aftermath of the Second World War. Non-alignment was **neither neutrality nor non-involvement nor isolationism**. It was a dynamic concept which meant **not committing to any military bloc** but taking an **independent stand** on international issues according to the merits of each case.

Nehru saw in non-alignment a guarantee of India's independence in the field of foreign policy. According to him, joining any of the world blocs would mean only one thing, to **"give up your view about a particular question and adopt the other party's view on that question, to please it, and gain its favour."**

India played an important role in forging the non-aligned movement (NAM). **Non-Alignment Movement was conceived by five leaders – Jawaharlal Nehru, Gamal Abdel Nasser (Egypt), Sukarno (Indonesia) Kwame Nkrumah (Ghana) and Yugoslavia's Josip Broz Tito.** The first summit of the NAM was held in Belgrade in 1961. The non-aligned movement was a group of the newly independent states who refused to accept the dictates of the former colonial masters, and decided to act according to their own judgement on issues of international concern.



**NAM was crucial for India for at least two reasons:**

- Non-Alignment Movement **allowed India to take independent international decisions** based on merit which served its interests.
- It **enabled India to balance the two superpowers**, as neither of the superpower could pressurize India or take her for granted.

Non-Alignment Movement reflected an ideology that a **sovereign state, no matter how big or small, can pursue an independent foreign policy** based on their own assessment and need. The movement was also a recognition to the need of democratizing the international institutions, which is still very much relevant in the backdrop of demand of emerging countries to give them a greater share in the international bodies like the UN, WTO and World Bank among others.

**Nehru's non-alignment policy was continued despite India's conflicts with China and Pakistan, and the major changes in some key relationships involving South Asia.** During the formation and decline of United States -Pakistan alliance, the development of close relations between India and the U.S.S.R. and the Sino Indian relations, India held on to the policy of non-alignment and its support for world peace.

### Kashmir Issue

Kashmir as a most important **single factor of India's external relations, brought cold war to the Indian subcontinent, resulting in a heavy expenditure on military armaments.** Since Indian independence, and accentuated further after 1962, Kashmir continues to be a major factor in India's defence.



Nehru's approach to Kashmir question was also revealed when the issue was referred to the U.N. The U.N. then was yet an infant and an experimental organization, **heavily weighed in favour of the Western powers.** On the issue being referred to the U.N., Nehru, in the Constituent Assembly, in March 1948, stated that **"our making a reference on this issue to the Security Council of the U.N. was an act of faith, because we believe in the progressive realisation of a world order and a world government.** The United Nations Security Council passed a resolution proposing that the **Kashmir dispute should be resolved through mutual negotiations between India and Pakistan,** and also spoke about plebiscite. However, India ruled out the options of either **holding a plebiscite** as proposed by UN Security Council or **accepting any outside intervention** as desired by Pakistan in resolving the Kashmir issue. Since there was no breakthrough in resolving the vexed issue and disgust over Security Council's resolution, Pakistan decided to acquire Kashmir by **waging an undeclared war against India,** and resolved to resort to non-peaceful means to achieve its aims to achieve its aims.

### Indo-China Relation and War

Nehru was of the view that India and China had so much in common as both the countries had suffered at the hands of colonial powers, and were also struggling to eradicate poverty and underdevelopment. So, it was hoped that both countries would join hands to bring Asia to its rightful place. **For its part, India voiced for representation of China in**

the United Nations Security Council. India did not support the US position in declaring China as an aggressor state in the Korean War.

### Tibetan Crisis

After the Chinese revolution of 1949, China wanted to incorporate the Tibet region, and claimed it as an integral part of China. In 1950, China attacked the eastern part of the region and occupied Chamdo region. While India protested against this aggression, it also offered to mediate in response to Tibet's request, which was rejected by China claiming it as a domestic issue. Under Panchsheel agreement (1954), India voluntarily gave up its military, communication and postal, and other rights over Tibet which it had inherited from the British in accordance with the Anglo-Tibetan Treaty of 1904. India recognized China's claim over Tibet region. At that time, China also assured India that Tibet would be given much greater autonomy, though the commitment remained elusive.

### 1962 Chinese Attack

- Nehru acknowledged the transformative nature of the Chinese revolution in 1949 and was wary of China's potential expansionism.
- The 1962 Indo-China war stemmed from a border dispute, with two key issues: Tibet's annexation by China, disrupting the previous buffer state status, and China's refusal to recognize the McMahon Line as the border set during British rule.
- India sought to resolve the dispute through the Panchsheel agreement, but China's construction of a military highway in Aksai Chin and its territorial claims escalated tensions.
- The conflict intensified when India granted asylum to Dalai Lama, leading to a swift and massive Chinese attack in 1962 on Aksai Chin and NEFA.
- India miscalculated China's motives, and though China withdrew under pressure from the USA and USSR, it retained Aksai Chin while leaving NEFA under Indian control.
- Nehru faced a no-confidence motion for failing to assess China's intentions accurately, prompting a shift in India's foreign and security policy.
- China's subsequent nuclear test and increased defense spending by India were responses to the threats posed by both China and Pakistan.
- The war also entangled the India-China conflict in the global Cold War context, with India signing a Friendship treaty with the USSR, while China improved its relations with the USA.
- The war had a lasting negative impact on India-China relations, taking years to normalize.

### Foreign Policy under Lal Bahadur Shastri:

- Lal Bahadur Shastri succeeded Jawaharlal Nehru as India's Prime Minister, continuing the policy of Non-Alignment while strengthening ties with the Soviet Union.
- The Sirima-Shastri Pact of 1964 resolved the issue of Indian Tamils in Sri Lanka, repatriating 525,000 and granting Sri Lankan citizenship to 300,000 by 1981. However, India declined further citizenship applications in 1982.
- In 1964, China's nuclear test raised regional concerns, leading to calls for India to develop its own nuclear capabilities.
- The 1965 India-Pakistan War, occurring post-Nehru, was a significant foreign relations challenge for Shastri. The war did not resolve the Kashmir issue, and the conflict arose due to escalating tensions:
  - Unrest in Kashmir prompted Pakistani intervention.
  - Pakistan, armed with U.S. military aid, aimed to strike India before its post-1962 defense improvements.
  - Pakistan's strengthened ties with China further emboldened its stance against India.
- The Tashkent Declaration in 1966, mediated by the Soviet Union, saw both countries agree to withdraw from occupied areas, repatriate prisoners of war, and seek peaceful resolution. However, the core issue of Kashmir remained unresolved, and international support for India was limited.

### Foreign Policy under Indira Gandhi

#### Objective of Regaining International Standing:

- Indira Gandhi pursued a pragmatic form of Non-Alignment to restore India's global position.
- Her extensive international experience, as Nehru's daughter, played a crucial role.

### **Bangladesh Crisis (1971):**

- After Bangladesh's election, a military crackdown in East Pakistan caused a refugee crisis.
- India sought international support by showcasing the humanitarian burden.
- India signed a 20-year **Indo-Soviet Treaty** for mutual consultation and defense in case of threats.
- India's military action led to the surrender of Pakistani forces and the creation of Bangladesh.
- The **Shimla Agreement** formalized peace terms, but the core Kashmir issue remained.

### **Revival of Diplomatic Relations:**

- India restored diplomatic relations with **China** in 1976, aiming to reduce dependence on the USSR.
- It also resumed diplomatic ties with **Pakistan** after the Shimla Agreement, fostering regional peace.
- Other South Asian countries appreciated this peace initiative.

### **Relationship with the Soviet Union:**

- Indira Gandhi's foreign policy aligned with the Soviet Union due to threats from China and Pakistan.
- India's domestic policies, like bank nationalization, resonated with the Soviet Union.
- The Soviet Union became a significant trade partner and supported India on the Kashmir issue.
- The **Indo-Soviet Treaty (1971)** formalized the friendship and endorsed India's nuclear position.

### **Relationship with the USA:**

- Initially, relations with the USA soured due to American support for Pakistan and Diego Garcia's naval base.
- Indira Gandhi advocated for an Indian Ocean free from Cold War influence.
- The USA criticized India for its 1974 nuclear test.
- Later, during her second term, cooperation increased, with the USA assisting India in securing IMF loans and fuel for the Tarapur Nuclear Plant.

### **Rajiv Gandhi Years**

#### **Objectives:**

- Promote **world peace** and **friendship** based on mutual benefit.
- Advocate for **nuclear disarmament** and a new global economic order.
- Emphasize **non-alignment** and respect for the sovereignty of nations.
- Strengthen regional ties with South Asian neighbors and promote **peaceful co-existence**.

#### **Western Tilt for Technology:**

- Rajiv Gandhi looked to the West for technological collaboration, marking a departure from previous policies.
- This approach improved relations with Western nations.

#### **Disarmament Advocacy (1985-86):**

- Rajiv Gandhi strongly supported **nuclear disarmament**, urging all nuclear powers to join in.
- He aimed to replace the doctrine of deterrence with that of peaceful coexistence.

#### **Non-Alignment Commitment:**

- Reaffirmed India's commitment to **Non-Aligned Movement (NAM)**, highlighting its historical importance.
- Focused on enhancing NAM cohesion, especially regarding economic issues.

#### **Environmental Concerns:**

- Linked environmental protection with development.

- Proposed a multi-billion-dollar **Planet Protection Fund** under UN auspices to combat atmospheric pollution.

#### **Indian Ocean and Peace:**

- Advocated for transforming the **Indian Ocean** into a zone of peace and cooperation, away from Cold War politics.

#### **Strengthening SAARC:**

- Recognized the potential of **SAARC** for regional cooperation and conflict resolution.
- Emphasized collective self-reliance and multilateralism within SAARC.

#### **Peace Mission to Sri Lanka (1987):**

- Signed the **Indo-Sri Lanka Accord** to send Indian Peacekeeping Forces (IPKF) to combat the LTTE.
- Despite challenges, IPKF's mission aimed to resolve Sri Lanka's ethnic problem.
- IPKF was eventually pulled out in 1990 under the leadership of Prime Minister V. P. Singh.

#### **Narasimha Rao Period**

Following the 1991 parliamentary elections, P.V. Narsimha Rao became India's 10th Prime Minister. The **end of the cold war brought many changes in the international order**. The **era of bipolar world politics and bloc politics in international relations came to an end in 1991**. After the disintegration of the Soviet Union, the US retained its position of sole power nation. All the nations, including India witnessed this sudden change in international relations, hence, Indian leaders were now tasked to rethink and reshape their foreign policy. Narasimha Rao undertook to restructure India through:

- **Economic Reforms:** Deregulating the economy, loosening state control system, opening up to the world economically, and encouraging the private economy to go forward. This policy of reform was welcomed by the US and other industrialized nations.
- **International Relations:** Indian foreign policy under P.V. Narasimha Rao was greatly focussed on building relations with the US. Many experts believed that Indian foreign policy post 1991 was based on building strong relations with not only the United States, but also with the European Union, Russia, China, Japan, Israel, Brazil, South Africa followed by economically stable nations in Southeast Asia.

**India's relation with the US gradually improved after 1991.** P.V. Narasimha Rao also tried to improve relations with "**just**" neighbours Pakistan, China, Nepal and Sri Lanka. India extended its relations with the NATO member nations and successfully established a formal strategic partnership with Israel in 1992.

The greatest achievement of P.V. Narasimha Rao in the field of country's foreign policy was the **signing of the peace talks with China** with a view to ending the longstanding border dispute between the two countries.

#### **Liberalization and Change of Foreign Policy**

New Economic policy of 1991 brought a wide ranging changes in the foreign policy as well as economic sphere of the country. Though India faced many **Balance of Payment crisis during 1980s**, the **conditions in the 1990s forced India to open up its economy to the world**, thus paving way for the much needed reform. Government introduced far reaching changes, opening the Indian economy to the outside world and also reforming the economy at the domestic level. Thus, the government unveiled the New Economic Policy. The policy aimed for the pursuit of equity and social justice and to achieve sustained high growth.

#### **End of Bipolar world and India's Foreign Policy**

India had very close economic, cultural and technological ties with the USSR. The Soviet Union had supported India on many issues ranging from Kashmir to Bangladesh crisis. India-Soviet Union signed a treaty of friendship in 1972 and after that India had signed several defence deals with the Soviet Union which had been the largest arms exporter to India.

Though the **end of the Cold War has led to the end of threat to India from the Cold War context of US-Soviet power rivalry**, it had opened up many challenges for India. For India, disintegration of the Soviet Union has meant



uncertainty on several aspects viz. **supply of weapons system, supply of spare parts, diplomatic support on Kashmir and other politico-strategic issues** in and outside the United Nations and as a counter weight to US in South Asia.

After the disintegration of the Soviet Union, the USA emerged as a sole global power, ending decades of the Cold War and end of bipolar world. In these changing circumstances, India's foreign policy also started changing to adapt to these developments.

First major change was to adapt to the challenges of Globalization which became its primary objective. Thus, **India's foreign policy focused on transitioning India from building a socialist society to building a modern capitalist one.** To this, change in national economic policy with the introduction of New Economic Policy of 1991, produced many options at the foreign policy front to cater to changing needs.

With growing economy, India started moving towards **prioritizing military and economic power in its foreign policy as evidenced by the fact that by 2010**, India became the largest importer of arms in the world. This was also due to the troubling neighbours that India had on its western and northern borders. The pragmatism was also reflected in the growing closeness in the **India-USA relationship which later culminated into India USA nuclear deal, also known as 123 Agreement.** The inclusion of economic objectives has added diversity to India's diplomatic portfolio, and India's growing economic power has added weight to its voice in world affairs, particularly in forums such as the **WTO** and the **G-20 forum** aimed at global economic recovery.

Rapidly changing domestic politics also affected India's foreign policy. Regional parties started gaining prominence and an era of coalition governments created a turmoil led to highly unpredictable foreign policies evidenced from India abruptly withdrawing its peacekeeping mission from Sri Lanka. Also, during the **Gulf War of 1991, Indian foreign policy changed many times, first opposing, then supporting, and then again opposing use of Indian refueling facilities by American airplanes en-route to Iraq.**

India's changing foreign policy was not all about "**bigpower**" diplomacy, it also engaged with its neighbours. India started putting great efforts to find political reconciliation with two of its large neighbours—Pakistan and China. During 1990s, India-Pakistan relationship saw dramatically changed from a limited conventional war to a total military confrontation. Since 2004, several steps towards normalizing the relationship have been taken up including a serious negotiation on the Kashmir dispute. With China, India started looking for purposeful negotiations to end the long-standing boundary dispute

### **Look East Policy**

**India's Look East Policy (LEP), initiated by former Prime Minister P.V. Narasimha Rao in early 1990s, aimed at reducing India's isolation in international affairs and boosting India's involvement with the Association of Southeast Asian Nations (ASEAN)** in order to benefit from the advantages of regional cooperation. India's attempt to build a meaningful cooperation with Southeast Asian countries has been well reciprocated and at present, India and ASEAN share vibrant economic, strategic and political ties. This includes the signing of FTA in goods, services and investments. Maritime security, connectivity, etc., are other areas of common concern.

### **Reasons for Look East Policy**

- **Economically Countering China:** China's trade policies during the 1980s led to its meteoric rise and competition between the countries on many fronts, including political, economic and military sphere and most importantly, for economic influence in the region of South East Asia. Thus, India needed to adopt a new economically aggressive policy.
- **Emerging Middle Class:** India has a vast number of educated and talented people forming a huge manpower pool waiting to be tapped. Thus, India started seeking new markets to export its restless workforce and its products.
- **Containment from West and Central Asia:** Also, the avenues of investment and trade relationship with these regions were under constant threat due to geo-political instability and threat of terrorism. Thus, India started looking for more reliable and stable destinations.

### **I.K. Gujral Period**

I.K. Gujral has a **special place in Indian foreign policy realm.** Gujral's main focus was on **improving India's relationship with its neighbours.** Thus, to improve the relationship with neighbours and also to secure peace in the South Asian region, **he formulated set of policies which came to be known as the 'Gujral Doctrine'.** The Gujral



Doctrine is considered to have made a substantial change in the manner in which India's bilateral relations were conducted with its immediate neighbours, especially the smaller ones.

The Gujral Doctrine is a set of **five principles to guide the conduct of foreign relations with India's immediate neighbours** as spelt out by I.K. Gujral. These five principles arise from the belief that India's stature and strength cannot be divorced from the quality of its relations with its neighbours. It, thus, recognises the supreme importance of friendly, cordial relations with neighbours.

**These principles are:**

- With the neighbours and other nations, India should not ask for reciprocity but should give all that it can, in good faith and trust.
- To create mutual trust, no country in the region should allow its soil to be used against the other countries in any manner.
- Countries in the region should respect the sovereignty of each other and not interfere in the internal matters of any country.
- Respecting territorial integrity and sovereignty.
- Mutual resolution of the bilateral issues without third party interference.

**AB Vajpayee Period**

AB Vajpayee headed a **coalition government in 1998**. As a Prime Minister of India, he made significant contribution to India's foreign policy. His Foreign policy initiatives can be summarized under:

**Nuclear Test (1998)**

India has opposed the international treaties aimed at non-proliferation since they were selectively applicable to the non-nuclear powers and legitimised the monopoly of the five nuclear weapons powers. Thus, **India opposed the indefinite extension of the NPT in 1995 and also refused to sign the Comprehensive Test Ban Treaty (CTBT)**.

India conducted a series of nuclear tests in May 1998, demonstrating its capacity to use nuclear energy for military purposes. Pakistan soon followed, thereby increasing the vulnerability of the region to a nuclear exchange. The international community was extremely critical of the nuclear tests in the subcontinent and sanctions were imposed on both India and Pakistan, which were subsequently waived. India's nuclear doctrine of credible minimum nuclear deterrence professes 'no first use' and reiterates India's commitment to global, verifiable and nondiscriminatory nuclear disarmament leading to a nuclear weapons free world.

**Global Response to Nuclear Test**

- India's nuclear test invited strong criticism from the International community.
- The Nuclear tests had created the bitterness in India-China and India-Pakistan relationship.
- Countries, including the USA and Japan responded with economic sanctions over India for the tests and also for going against the NPT and the CTBT.
- These tests had put strain in the otherwise improving relationship with global powers.

**India's Response**

India clearly stated its goal that the nuclear testing was to protect her own interest and not directed towards any country. India had always maintained its protests against the discriminatory nature of non-proliferation treaties (NPT & CTBT).

**India-Pakistan**

**1. Bus Diplomacy:** Nuclear tests of 1998 had heightened the tension in the India-Pakistan relationship to a new level. To improve relationship between India and Pakistan, an innovative idea of introducing a bus service from New Delhi to Lahore was started. The aim was to strengthen the people to people contact and bond of friendship between the two countries. The bus diplomacy was a historic moment in the history of tumultuous



relationship between the two countries. As part of bus diplomacy, Vajpayee himself travelled all the way to Lahore and signed the Lahore Declaration on 21st February 1999.

**2. Lahore Declaration:** India and Pakistan signed the Lahore declaration in 1999 with a pledge to work on the principle of co-operation and coexistence, and to reduce forces along the Line of Control.

#### **Salient Features**

- It recognized the nuclear dimension in the security environment of the two countries
- Commitment to the principles and purposes of the Charter of the United Nations, and the universally accepted principles of peaceful co-existence.
- It reiterates the determination of both countries to implement the Simla Agreement in letter and spirit.
- Commitment to the objectives of universal nuclear disarmament and non-proliferation.
- It recognized the importance of mutually agreed confidence-building measures for improving the security environment.
- It recognized that an environment of peace and security is in the supreme national interest of both sides and that the resolution of all outstanding issues, including Jammu and Kashmir, is essential for this purpose.

However, things did not move on the expected lines and took a nosedive when intruders from Pakistan were found occupying the strategic locations along the Line of Control, especially in the Kargil sector of Kashmir in the mid May 1999.

#### **Kargil Conflict**

Following Pakistan's armed intrusion in Kargil, India launched the 'Operation Vijay 1 to evict the intruders. India kept the US along with her key interlocutors, informed on the developments and the nature of the intrusion. The US took a forthright position regarding Pakistan armed intrusion in Kargil and called for withdrawal of the intruders. The US also expressed appreciation for the restraint and responsible manner in which India conducted the operation India's position drew support from the US Congress and the US media. Similarly, in the aftermath of the terrorist attack on the Indian Parliament in December 2001, India resorted to a strategy of coercive diplomacy albeit with mixed results. It is important to underscore that neither of these two crises culminated into a full-scale war between the two long-standing adversaries.

#### **Vajpayee and India-US Relations**

Despite differences on India's nuclear ambitions and its unwillingness to sign CTBT, former US President Bill Clinton paid a five-day visit to India in March 2000 with a view to build dynamic future relations between the two countries. So was the reciprocal visit to the US in September, 2000 by Prime Minister Vajpayee. The growing economic interaction between India and the US had become a major driving force towards mutually beneficial strengthening of relations.

#### **Policy under Manmohan Singh**

The broad framework of India's foreign policy as laid out by Nehru was consensually adopted by successive leaders but it started changing in response to the circumstances and need of the country. By the time, Manmohan Singh came to power, India's foreign policy had changed a lot compared to the Nehru-era. The diplomacy had changed to more benign, friendlier and more outgoing.

#### **Relationship with Russia**

Russia realized the importance of India and looked to maintain a friendly relationship, which was reflected in the warm welcome accorded to Manmohan Singh during his **visit to the country in 2007**.

Moving forward in strengthening their relationship, both countries agreed to establish a strategic partnership. Main focus was on **military sector**, where many agreements were concluded, including development of **supersonic cruise missiles BrahMos**, a state of the art 5th Generation Combat Aircraft, laser guided anti tank missiles and also extending the 10 year agreement on military cooperation going beyond 2010.

**Russia also recognized India's nuclear policy and pledged to build four more civilian nuclear reactors in Kundankulam in Tamil Nadu.** Efforts were also put in expanding the economic interaction which would go beyond traditional **Rupee-Rouble Arrangement**. Thus, under PM Manmohan Singh, Indo-Russian relationship improved to a new height.

### **Relationship with USA**

India and the USA came closer to each other during Manmohan Singh's period, which can truly be described as a great leap forward in the bilateral relationship between the two countries.

There were many factors which contributed to the closer relation between the two countries:

- India's disengagement of the privileged relationship with the erstwhile USSR after the disintegration of the Soviet Union.
- Need for counterbalancing the emerging powerful China.
- There was also a broad perception among the leadership of the USA that India was ready for closer ties with the USA.
- The deregulated and liberalized Indian economy also acted as a source of attraction to the US international economic expansion.
- There was also a perceived fearful expansion of the terrorist oriented Islamic fundamentalism in the north-western regions beyond India, of which India was perceived as a major target. This required closer ties with India.

In this background, India and the US signed the historic India-USA Civil Nuclear Deal. The United States and India share three objectives in undertaking this initiative:

- (i) to remove core differences that impeded our strategic relationship for more than 30 years,
- (ii) to support India's economic growth and energy security in an environmentally sound way, and
- (iii) to strengthen the global nonproliferation regime.

The deal is seen as a watershed in U.S.-India relations and introduced a new aspect to international order. The deal lifted a three-decade U.S. moratorium on nuclear trade with India. It provided U.S. assistance to India's civilian nuclear energy program, and expanded U.S.-India cooperation in energy and satellite technology.

### **Salient Features**

- India agreed to allow inspectors from the International Atomic Energy Association (IAEA), the United Nations' nuclear watchdog group, access to its civilian nuclear program, placing fourteen of its twenty-two power reactors under IAEA safeguards permanently.
- Under the agreement, India also committed to safeguard its nuclear arsenal and to prevent it from falling in the wrong hands.
- U.S. companies will be allowed to build nuclear reactors in India and provide nuclear fuel for its civilian energy program. (An approval by the Nuclear Suppliers Group lifting the ban on India has also cleared the way for other countries to make nuclear fuel and technology sales to India).
- India would be eligible to buy U.S. nuclear technology, including materials and equipment that could be used to enrich uranium or reprocess plutonium.
- India committed to signing an Additional Protocol, which would allow more intrusive IAEA inspections of its civilian facilities.
- India also agreed to continue its moratorium on nuclear weapons testing.

In 2008, the IAEA Board of Governors approved India's safeguards agreement, paving the way for India's consideration at the Nuclear Suppliers Group. The United States played an important role for getting an exemption for India at Nuclear Suppliers Group to permit trade with India's expanding peaceful nuclear sector.

### **Relationship with Pakistan**

During the period, India and Pakistan failed to converge on the Kashmir issue or a broader peace agreement. The relationship touched a new low with the 2008 Mumbai attacks and the ensuing evidence that the attackers were backed by the Pakistani military and intelligence establishment.

Later, to ease the tension between the two countries, a liberalized visa agreement was signed in September 2012. Under this agreement, citizens from both countries over the age of 65 can be granted a visa on arrival, and business people from both nations can travel more freely between the two countries.

### **Relationship with China**

Many important developments took place during this period with respect to the bilateral relationship with China. The then Chinese Premier Wen Jiabao visited India in 2005, leading to signing of the "Agreement on Political

Parameters and Guiding Principles for the Settlement of the India-China Boundary Question”, under which both the countries pledged their determination to seek a fair, reasonable and mutually acceptable solution to the boundary question and to build an environment of peace and friendship. China also officially recognized Sikkim as an “inalienable part of India”, making Sikkim no longer an issue in India-China relation.

In 2013, the tension between the two countries heightened as there was a three week stand-off between India and China troops near Line of Actual Control between Ladakh and Aksai Chin. This tension was defused when India agreed to demolish the live-in bunkers and China agreed to withdraw its troops.

### **Manmohan Doctrine**

Principles of the foreign policy of Manmohan Singh came to be known as the Manmohan Doctrine, which can be summarized below:

1. India’s developmental priorities play an important role in guiding our relationship with the world
2. Manmohan Singh stood for the greater integration of India’s economy with the rest of the world as it will benefit India and enable our people to realize their creative potential.
3. We seek stable, long term and mutually beneficial relations with all major powers. We are prepared to work with the international community to create a global economic and security environment beneficial to all nations.
4. We recognize that the Indian sub-continent’s shared destiny requires greater regional cooperation and connectivity. Towards this end, we must strengthen regional institutional capability and capacity, and invest in connectivity.
5. Our foreign policy is not defined merely by our interests, but also by the values which are very dearer to our people.

### **Foreign Policy under Narendra Modi**

Prime Minister Modi started off with a **bold decision by inviting his counterparts from all SAARC countries to participate in his oath-taking ceremony at Rashtrapati Bhawan**. This marked a “**Neighbourhood First**” foreign policy. Prime Minister Narendra Modi’s foreign policy has been characterized by great energy, a desire to break the mold of the past and a penchant for risk-taking.

While his policies are designed to attract foreign capital and technology, and seek foreign markets for Indian products, they are also geared towards a closer linkage of regional stability, peace and prosperity. India’s foreign policy under Modi demonstrates a marked change and exceptional dynamism. Indeed, India is witnessing an emergence of the ‘Modi Doctrine’. The **4 Ds – Democracy, Demography and Demand and Diaspora** have acted as a force multiplier in India’s Foreign Policy under PM Modi.

### **Features**

- Transforming the role of India at the international stage to ‘a leading power’ rather than a mere ‘balancing power’.
- Diplomacy should primarily focus on accelerating nation’s socio-economic development.
- In today’s world, defence capabilities and economic strength are important; at the same time, India should also utilize its abundant soft power.
- Indian diaspora is an asset not limited to just sending remittances. Therefore, ties with the Indian diaspora should be carefully nurtured and Indians in distress at abroad should be taken care of.

Under PM Narendra Modi, India’s Foreign Policy has taken a new trajectory, and a broader shift in idea is visible. There are several key features of the Modi Doctrine:

### **India First**

**‘India First’ is the fundamental feature of the Modi Doctrine**. India’s choices and actions are based on the strengths of its national power. Further, **India’s strategic intent is shaped mainly by realism, co-existence, cooperation and partnership**. Moreover, Modi’s foreign policy is guided by a core value of Vasudhaiva Kutumbakam (the entire world is our family).

Focused on India’s development, Modi’s foreign policy ‘is guided by the constant drive to reform and transform India, for security and prosperity of all Indians’. In his inaugural address at second Raisina Dialogue in Delhi on 17 January 2017, Modi underlined that the economic and political rise of India “represents a regional and global

opportunity of great significance. It is a force for peace, a factor for stability, and an engine for regional and global prosperity”.

### **Neighbourhood First Policy**

A **determined ‘neighbourhood first’ approach denotes the second important feature of the Modi Doctrine**. Modi dreams of a ‘thriving well-connected and integrated neighbourhood’ and hence, the Indian government under Modi has clearly indicated India’s priority for building stronger ties with its neighbourhood.

PM Modi started on a very positive note by inviting leaders of all the SAARC countries in his swearing ceremony, marking his ‘Neighbours first’ policy. After this, he visited all SAARC countries, except Maldives, in his first 19 months, including Pakistan. The themes of greater connectivity, stronger cooperation, and broader contacts dominate India’s engagement with its neighbours today. Importantly, the neighbours have also reciprocated this outreach.

### **Strengthening Cultural Connect and Soft Power**

**Promotion of Indian values, culture and tradition or civilisational connect is another important feature of the Modi Doctrine**. PM Modi’s visits to cultural sites in **Japan, China, Mongolia, Sri Lanka, Bangladesh** etc., where ancient civilisational connections between India and these countries are still visible, is indeed noteworthy. He has also talked extensively on shared values, traditions and heritage and therefore strengthened these ancient ties.

A rare display of India’s soft power diplomacy was visible when the entire world along with the United Nations celebrated International Yoga Day on 21 June. Modi’s initiatives like the International Solar Alliance or social media are good examples of soft power augmentation.

### **Indian Diaspora**

Under PM Modi leadership, **government has qualitatively and quantitatively enriched engagement with the Indian diaspora, and is trying to simplify rules, quickly responding to their grievances, and engaging** them in the overall development agenda of the government.

Indian government’s pro-active approach towards the diaspora community has re-energised the Non Residential Indians (NRIs) and Persons of Indian Origin (PIOs) community, strengthening their ties with their country of origin and enhancing their stature in their country of residence.

This is clearly evident in Modi’s interactions with the Indian community abroad through various means including public meetings and connection through social media. Such focused engagement could be very helpful in creating synergies for trade, investment, technology transfers, cultural exchange, and more importantly, in mobilising political support.

On occasions, diaspora community has approached the Ministry of External Affairs (MEA) for assistance and due to quick and direct communications, timely assistance has been facilitated by the government.

Modi’s vision of Sab Ka Sath, Sab Ka Vikas (take everyone along and work for everyone’s development) is ‘a belief for the whole world and it manifests itself in several layers, multiple themes and different geographies’.

### **Closeness with USA**

In September 2014, PM Modi visited the US and in January 2015, US President visited India as chief guest at the Republic Day Parade in New Delhi. Some of the progress made in India-US ties are:

- **Civil Nuclear Agreement:** During US President’s visit to India, the deadlock in Civil Nuclear Agreement was the centerpiece of the agenda. The deal, also called the 123 Agreement, was held up because of differences between the two countries on India’s nuclear liability law for compensation in case of a mishap and US’ demand to track nuclear fuel and other materials supplied by it to India. India had termed this demand for access to India’s nuclear set up as intrusive. The differences were resolved with the Indian liability law amendments and US president’s usage of his executive powers to remove the “tracking” condition.
- **Defence cooperation:** During 2014 visit of Modi, both sides agreed to extend the cooperation in the Defence sector for another decade, leading to formally renewing the ‘New Framework for Defence Cooperation’ in 2015.

India signed LEMOA (Logistics Exchange Memorandum of Agreement) in August 2016, and COMCASA (Communications Compatibility and Security Agreement) in September 2018. LEMOA and COMCASA are two of the three foundational agreements that the U.S. signs with allies and close partners to facilitate interoperability between militaries and sale of high-end technology.

## Look East to Act East

**Look East Policy introduced by Narasimha Rao government and continued till Manmohan Singh government has been upgraded by PM Modi to 'Act East', to signal greater intent.** In terms of the broader strategic context in Asia, India's 'Act East' policy has three distinct facets: institutional, commercial, and security-related.

At institutional level, FTA with ASEAN, BIMSTEC and East Asia Summit among others have integrated India into Asia's multilateral networks. Prime Minister Modi invited all 10 ASEAN leaders as special guests for the Republic Day parade in January 2018. On connectivity, India has also speeded up work on the 3,200 km **India-Myanmar-Thailand highway** from Moreh, Manipur as a key artery to bring ASEAN closer to India. India under Modi no longer appears shy, and less mindful of China's sensitivities, in leaning over towards Tokyo and Washington in its engagement with the region.

## SAGAR Vision

Security and Growth for All in the Region (SAGAR) is India's policy or doctrine of maritime cooperation in the Indian Ocean region. The policy was first announced by Prime Minister Narendra Modi on March 12, 2015.

Although no single official documentary has been published regarding the approach of SAGAR there have been several initiatives and numerous maritime events that can be considered a part of it.

## Vision of SAGAR

It was in a keynote address to the Indian Ocean Rim Association (IORA) when Prime Minister Narendra Modi articulated a vision for the SAGAR initiative by stating that *"Our vision for the Indian Ocean Region is rooted in advancing cooperation in our region and to use our capabilities for the benefit of all in our common maritime home"*

Based on this vision of the SAGAR initiative can be defined under the following terms:

1. **Security:** Enhancement of coastal security so that land and maritime territories can be safeguarded with relative ease.
2. **Capacity Building:** Deepening economic and security cooperation for smooth facilitation of economic trade and maritime security.
3. **Collective Action:** Promoting collective action to deal with natural disasters and maritime threats like piracy, terrorism and emergent non-state actors.
4. **Sustainable Development:** Working towards sustainable regional development through enhanced collaboration
5. **Maritime Engagement:** Engaging with countries beyond our shores with the aim of building greater trust and promoting respect for maritime rules, norms and peaceful resolution of disputes.

## Need for SAGAR Vision

### Leveraging Blue Economy

- **Blue economy** presents India with an unprecedented opportunity to meet its national socio-economic objectives (livelihood generation, achieving energy security, building ecological resilience etc.) as well as strengthening connectivity with neighbors.
- Apart from it, blue economy provides many opportunities:
  - Oceans provide a substantial portion of the global population with food and livelihood, as well as transportation for 80% of global trade.
  - The seabed currently provides 32% of the global supply of hydrocarbons, with exploration expanding. The sea also offers vast potential for renewable **blue energy** production from wind, wave, tidal, thermal and biomass sources.
  - New technologies are opening frontiers of **marine resource development from bio-prospecting to mining of seabed mineral resources (poly-metallic nodules).**

### Tackling Regional Issues

- There is a need to strengthen efforts to provide **humanitarian assistance** in wake of natural disasters and counter non-state actors engaged in **piracy and terrorism.**
- Further, India seeks an integrated approach and cooperative future, which will result in **sustainable development for all** in the region.

### Checking Chinese Influence

- China through its **maritime silk route (part of BRI initiative)** has been increasing its influence in Indian ocean region (IOR).

- Moreover, Chinese investments in India's neighboring countries are of **dual nature i.e commercial with military underpinnings**. The **string of pearls** has caused strategic concerns for India.
- In this context, SAGAR vision assumes much importance in countering such issues.

### Significance of SAGAR Vision

- SAGAR provides a mechanism for India to expand strategic partnerships with other IOR littorals in Asia and Africa.
- SAGAR indicates the leadership role and responsibilities India is ready to play in the region on a long-term basis in a transparent manner through its capacity building and capability enhancement programs.
- The key relevance of SAGAR emerges when seen in conjunction with India's other policies impacting the maritime domain like **Act East Policy, Project Sagarmala, Project Mausam, India as 'net security provider', focus on Blue Economy** etc.
  - This symbolises India's maritime resurgence, as maritime issues are now centre of India's foreign policy.

With effective implementation of all these policies, India can **act as an enabler to create a positive environment in the IOR**.

### Bridging Diplomacy and Development

Modi's foreign policy is largely driven by India's developmental needs, constantly driving for reform and transforming India, both for security and prosperity of all citizens. This vision is rooted in India's concerns over **trade, energy security, and the "Make in India" initiative**. The focus more has been on attracting investors from all over the world towards this end. So, during his travels across the world, the prime minister has rarely missed an opportunity to hawk India as a robust investment destination. This had led to increased foreign investment in the country as clear by the fact that, in the 2017 financial year, FDI into India reached \$62 billion, despite a slowdown in global FDI inflows.

India's Foreign Policy under Modi also faces some challenges. There are also some fundamental changes shaping the domestic political milieu in the West, and the great power relationships are undergoing a shift, which India will have to navigate with utmost seriousness. The Sino-Russian relationship is acquiring connotations which can have long-term consequences for Indian interests and Sino-US ties can also become transactional under Donald Trump.

### India's Foreign Policy Challenges

India's foreign policy has evolved since Independence when it faced issues like Cold war politics, development and poverty reduction. The last two decades have transformed India's economy and society which also has led to increased engagement with the world. At the same time, the global situation is also changing at a fast pace and posing many new challenges.

#### Broadly, these Challenges Include:

- **Ensuring a Peaceful Periphery:** Unless we have a peaceful and prosperous neighbourhood, we won't be able to focus on the socio-economic development at the domestic level. Thus, we need to accord priority in developing closer political, cultural and economic ties with the neighbourhood, culminating into strong and enduring partnerships. The challenge for us in our neighbourhood is to build inter-dependencies which not only integrate economies, but also create vested interests in each other's stability and prosperity in the subcontinent.
- **Relations with the Major Powers:** The world today is getting increasingly multipolar with the rise of China. Other major powers include the USA and Russia. After 1991 economic reforms, Indian economy got more integrated with the rest of world. India's strategic interests are increasing and relationship with major powers are vital to protect those interests. However, the challenge would be to balance relationship with one another. Growing tilt towards West will distance time tested friend Russia. Closeness with Iran and India's stand on Palestine has relevance to its relationship with Israel, US and Arab countries.

Issues of the future namely **food security, water, energy and environment:** These issues are **cross boundary issues** which requires India to engage constructively with others to address them holistically.

Many issues like water, flood control and energy have solutions in our neighbourhood-immediate and extended.

**Our economic growth requires sustained supply of energy for which we need to engage with energy-surplus countries like Russia, the middle east etc.** The issue of climate change and global environmental degradation



requires working with the others on the principle of '**common but differentiated responsibilities**' enshrined in the UN Framework Convention on Climate Change.

### **Current Challenges to India's Foreign Policy**

- **Russia Ukraine Issue:** It is certainly a complex international political issue when countries like India find it difficult to choose between politics and moral imperative.
  - **Russia is a trade partner**, and it has leverage in the Eurasian region, and by going directly against Russia, India will jeopardise its interests in the region.
    - As realist prudence demands, India cannot simply **undertake a moralist standpoint on Russia-Ukraine Conflict and ignore the dictates of politics.**

**Internal Challenges:** A country cannot be powerful abroad if it is weak at home.

- India's soft power assets make sense when they are supported by its hard power.
  - Former **President of India, A. P. J. Abdul Kalam** repeatedly made the case that **India can play an effective role on the world stage when it is strong internally as well as externally.**

**Refugee Crisis:** In spite of not being a party to the **1951 Refugee Convention** and its **1967 Protocol**, India has been one of the largest recipients of refugees in the world.

- The challenge here is to balance protection of human rights and national interest. As the Rohingya crisis unfolds, there is still a lot that India can do to facilitate the finding of long-term solutions.
- These actions will be key in determining **India's regional and global standing on human rights.**

### **Cultural Diplomacy**

Cultural Diplomacy is one of the important strategies **to achieve foreign policy objectives, helping to establish good relationship with other countries powered by official initiatives as well as people to people contact.** In simple terms, Cultural Diplomacy is the deployment of a state's culture in support of its foreign policy goals, which is based on the premise that good relations can take root in the fertile ground of understanding and respect.

### **Significance**

Cultural diplomacy leads to promotion of values and image of a country amongst other countries. At the same time, it leads to understanding of values, culture and image of other countries and their people. This is one of the best ways for a government to increase their respect and understanding with other countries.

Cultural diplomacy can lead to strong connections between people of different countries as it can create forums for interaction between people, thus creating a "foundation of trust" with other peoples.

Policy makers can build on this trust to create political, economic, and military agreements. This can also help reduce ethnic clashes between different communities as the diplomacy increases understanding of other's culture. Cultural diplomacy can also help to advance the interests of other countries, not just the interests of the country carrying out the diplomacy.

Examples of this broader scope of cultural diplomacy include educational scholarships, visits of scholars, intellectuals, academics and artists, both domestically and abroad, cultural group performances, seminars and conferences, etc.

### **India's Cultural Diplomacy and Soft Power**

#### **Cultural Diplomacy and Soft Power:**

- India has recognized the significance of **cultural diplomacy** since Independence, with the Ministry of External Affairs signing 126 bilateral cultural agreements and implementing 58 Cultural Exchange Programmes.
- The **Indian Council for Cultural Relations (ICCR)** was established in 1950 to promote India's culture globally, through **Cultural Centres, Festivals of India, Chairs of Indian Studies**, etc.
- India's culture gained global interest in the 1990s, bolstered by **Indian cuisine, Yoga, Bollywood**, and **contemporary art**. The economic success of the Indian diaspora also contributed.
- Initiatives like **Pravasi Bhartiya Diwas** and the "**Know India Program**" have been launched to engage with the diaspora and promote cultural diplomacy.

### Present Scenario:

- Under Prime Minister Modi, "**cultural and civilisation links**" have become a **soft power** component of India's foreign policy.
- India hosted International **Buddha Purnima Diwas** and adopted International **Yoga Day** in the **UN General Assembly**, emphasizing cultural elements and their role in diplomacy.
- **Bollywood** has played a significant role in promoting Indian culture globally.

### Sports Diplomacy:

- **Cricket** has often mirrored the political relationship between India and Pakistan.
- Former Pakistan President **Zia ul-Haq** initiated "**cricket diplomacy**" by attending a Test match in India in 1987, fostering better ties.
- The **Kargil war** and other conflicts disrupted cricket relations, but it resumed as a diplomatic tool, especially during Prime Minister **Vajpayee's** visit to Pakistan in 2004.
- Cricket diplomacy isn't limited to **India-Pakistan**; it has been used for regional diplomacy within **SAARC**.
- Cricket diplomacy has provided a platform for talks on various issues and eased tensions between the two countries. It unites people through their passion for the game and promotes peace.

### Space Diplomacy:

- **ISRO** cooperates with space agencies of **39 countries** and **4 multinational bodies**.
  - Collaborations include satellite systems, rockets, and joint missions like '**MeghaTropiques**' with **ONES** and '**NISAR**' with **NASA**.
- India's **South Asia Satellite (SAS)** was gifted to **Afghanistan, Bangladesh, Bhutan, the Maldives, Nepal, and Sri Lanka** to enhance communication and disaster links.
- ISRO's cooperation in **satellite data sharing** supports disaster management through **COSPAS-SARSAT** with **ASEAN**.
- **IRNSS (NAVIC)** enhances services like navigation, disaster management, and more for neighboring countries.
- **Capacity building** efforts extend through courses offered by **Indian Institute of Remote Sensing** and **CSSTE-AP**.

### Economic Diplomacy:

- Pre-liberalization, focus was on foreign exchange and cheap oil; now it's about global economic integration, trade, and investments.
- Engagement with **East Asia** (FTA with **ASEAN**), regional connectivity (**BBIN, IMT trilateral highways**), and energy cooperation in the Gulf region.
- India's voice in international economic organizations like **WTO** represents the developing world.

### Defence Diplomacy:

- India leverages military diplomacy for diplomatic purposes, including training, joint exercises, and more.
- **Vibrant bilateral relations** established through military training and exercises with various countries.
- **Maritime security** and **counter-piracy** efforts contribute to peaceful periphery and influence in the maritime neighborhood.
- Defence partnerships with countries like **Russia, Israel, France**, and the **USA** reflect India's strategic autonomy.

### Para-diplomacy:

- **Para-diplomacy** involves sub-national actors and organizations in international relations.
- Significant roles played by **NGOs, religious leaders, cultural organizations**, and the **Indian diaspora** in promoting India's interests and values.
- Examples include the role of the Indian diaspora in advocating for India's interests in the **United States** and the involvement of the **Indian military** in peacekeeping missions and humanitarian efforts.

## Criticisms and Challenges of Para-diplomacy:

- Para-diplomacy can lead to inconsistencies and conflicts with state objectives.
- The influence of non-state actors may dilute the state's authority.
- Challenges include the need for coordination between state and non-state actors, resource limitations, and the potential for conflicts of interest.
- Despite challenges, para-diplomacy is crucial for India's foreign policy, promoting economic cooperation, cultural exchange, and more.

## India's Contemporary Security Challenges

### 1. Cross-Border Terrorism:

- Threats from an unsettled boundary dispute with **China** and cross-border **Jihadi terrorism** in Jammu & Kashmir, supported by **ISI** and Pakistan-based extremist groups like **Lashkar-e-Taiba** and **Jaish-e-Mohammad**.

### 2. International Terrorism:

- India has faced repeated acts of terrorism since the late 1970s, targeting places of worship, centers of learning, and symbols of economic growth. State-sponsored terrorism from a hostile neighborhood.

### 3. ISIS Threat:

- The **ISIS** poses a threat, evident from recent arrests in India. Challenges include preventing lone-wolf attacks, improving intelligence, and coordinating with Muslim religious leaders for countering radicalization and de-radicalization programs.

### 4. Maritime Security:

- The Indo-Pacific, especially the Indian Ocean, is becoming a center stage for major powers. Challenges include non-state actors, piracy, China's presence in littoral countries, ensuring freedom of navigation, and safeguarding maritime interests.

### 5. Cyber Security:

- **Cyberspace** has become a new domain of warfare. India's vulnerability to cyber attacks is increasing due to digital penetration and cashless transactions. Attacks on critical infrastructures can severely impact the nation's economy and security architecture.

### 6. Drug Trafficking:

- India faces a serious menace of **drug trafficking** due to its proximity to major drug-producing regions like the Golden Triangle and Golden Crescent (Afghanistan-Pakistan-Iran), leading to drug abuse among youth.

### 7. Nuclear Threat:

- India adheres to a **no first use** policy regarding nuclear weapons. Challenges include Pakistan's rapid nuclear capabilities improvement and China's gradual nuclear modernization, which alter India's national security environment and deterrence dynamics.

## 52. INDIA AND GLOBAL SOUTH:

The reluctance of many nations in **Africa, Asia, and Latin America** to support **NATO (North Atlantic Treaty Organization)** in the **Ukraine conflict** has brought the term "**Global South**" into focus.

### What is Global South?

#### ▪ About:

- The Global South refers to countries often characterized as **developing, less developed, or underdeveloped**, primarily located in **Africa, Asia, and Latin America**.
- These nations typically experience **higher levels of poverty, income inequality, and challenging living conditions** compared to the wealthier nations of the Global North.
- The "Global North" is richer nations that are located mostly in North America and Europe, with some additions in Oceania and elsewhere.



- **From "Third World" to "Global South":**
  - The term Global South was first coined in 1969 by political activist Carl Oglesby.
  - It gained momentum after the **dissolution of the Soviet Union in 1991**, which marked the end of the **"Second World."**
  - Previously, developing nations were **commonly referred to as the "Third World,"** a term coined by **Alfred Sauvy in 1952.**
  - However, this term became associated with **poverty, instability, and negative stereotypes** propagated by **Western media.**
  - As a result, the term **"Global South" emerged as a more neutral alternative.**
- **Geopolitical and Economic Commonalities:**
  - The term Global South does not have a **strict geographical definition.** It signifies a **combination of political, geopolitical, and economic similarities** among nations.
  - Many countries in the Global South have a **history of Imperialism and Colonial Rule,** particularly evident in African countries.
  - This history has shaped their perspectives on the relationship between the **global center (Global North) and periphery (Global South)** within the world political economy.

#### What is the Significance of Global South Today?

- **Shifting Economic and Political Power:**
  - The Global South has experienced a significant shift in wealth and political visibility in recent decades. The **World Bank (WB)** has acknowledged a **"shift in wealth" from the North Atlantic to the Asia-Pacific region,** challenging conventional notions of economic power distribution.
  - Projections indicate that by 2030, **three of the four largest economies will belong to Global South countries,** with China and India leading the way.
    - The combined **GDP (Gross Domestic Product)** of the **BRICS nations (Brazil, Russia, India, China, and South Africa)** already **surpasses that of the G-7 nations.** Moreover, political actors from the Global South, such as **China, Saudi Arabia, and Brazil,** are **increasingly playing influential roles** in global affairs.
- **Impact on Geopolitics:**
  - The growing economic and political power of the Global South has important implications for global geopolitics.
  - Asian nations are **predicted to play a significant role in what experts call the "Asian Century."**
  - Additionally, there is talk of a **"post-Western world"** as the influence of the Global South challenges the **historical dominance of the Global North.**
  - These shifts signify the **increasing assertiveness and influence of the Global South** on the world stage.

#### What are the Challenges to the Development of the Global South?

- **Issue of Green Energy Fund:**
  - Despite Global North countries' higher contribution towards global emissions, they are neglecting to pay for **funding green energy,** for which the ultimate sufferers are the least emitters – the lesser developed countries.
- **Impact of Russia-Ukraine War:**
  - The **Russia-Ukraine war** severely affected the **least developed countries (LDCs)** aggravating the concerns related to food, energy and finance, thereby, threatening the development prospects of LDCs.
- **China's Interference:**
  - China is increasingly making inroads in the **Global South through the Belt and Road Initiative (BRI)** for developing infrastructure.
  - However, it is still questionable whether BRI will be a win-win situation for both parties or **it will focus only on China's Profit.**
- **US Hegemony:**
  - The world is now **considered to be multipolar by many but still,** it is the US alone who dominates international affairs.

- The US possesses the **largest economy in the world**, with substantial **influence over global financial markets**. The U.S. dollar remains the dominant currency for international trade and is **used as a reserve currency by many countries**.
- **Inadequate Access to Resources:**
  - Global North-South divergences have been **historically characterised by major gaps** in the access to resources required for crucial developmental outcomes.
  - Industrialisation, for example, has been skewed in the favour of advanced economies since the early 1960s, and no major evidence of global convergence was found in this regard.
- **Impact of Covid-19:**
  - Covid-19 pandemic has **exacerbated the already existing divides**.
  - Not only have the countries faced different challenges in dealing with the initial phases of the pandemic, but the social and macroeconomic implications being faced today have been far worse for the global South.
  - The vulnerability of the domestic economies is far more apparent now in countries ranging from Argentina and Egypt to Pakistan and Sri Lanka.

#### **What are the Initiatives of India for Global South?**

- Indian Prime Minister announced five initiatives to support the development of other developing countries in "**Voice of Global South Summit**" hosted by India in January 2023.
  - The "**Global South Centre of Excellence**" will research development solutions and best practices which can be implemented in other developing countries.
  - The "**Global South Science and Technology Initiative**" aims to share Indian expertise in areas such as space technology and nuclear energy.
  - The "**Aarogya Maitri**" project will provide essential medical supplies to any developing country affected by natural disasters or humanitarian crises.
  - The "**Global South Young Diplomats Forum**" will connect young officers of foreign ministries,
  - The "**Global South Scholarships**" will provide higher education opportunities in India for students from developing countries.

#### **Conclusion**

- The rise of the Global South as an economic and political force has challenged traditional power dynamics and brought **attention to the changing global order**.
- As the Global South continues to assert itself, it **reshapes geopolitics, heralding a new era** where nations from Africa, Asia, and Latin America play increasingly significant roles in shaping the future of international relations.

### 53. SOFT POWER DIPLOMACY:

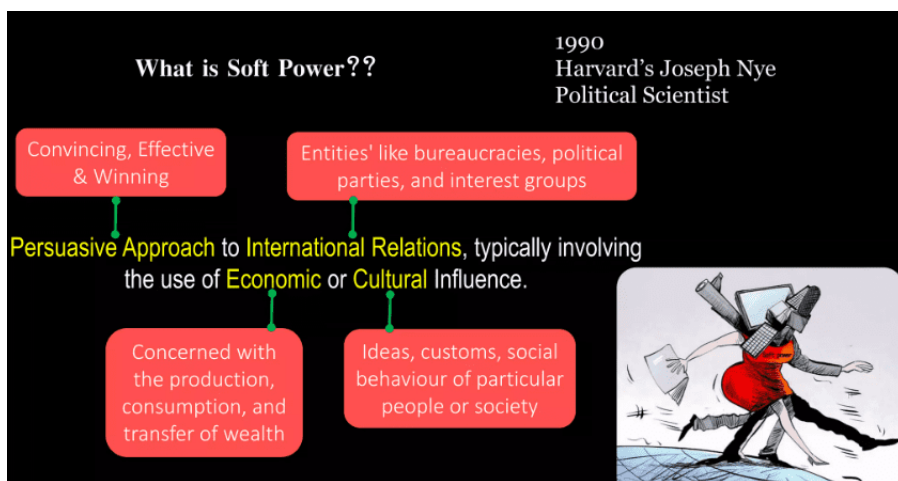
In addition to economic and military power, the idea of Soft Power has gained traction during the past few decades. Indian arts, culture, yoga and spiritualism, culinary varieties, festivals, music and dance forms etc, have attracted people from all around the world for centuries. The Committee on External Affairs has recently presented its **Sixteenth Report on the prospects and limitations of India’s Soft Power and Cultural Diplomacy**. The committee has recommended that a policy document should be prepared on India’s soft power projections along with a **Soft Power Matrix for evaluating soft power outcomes**. In its report the parliamentary committee also highlighted the need for greater synergy among Ministry of External Affairs and other Ministries, Departments and agencies involved in India’s soft power projections and cultural diplomacy.

#### What is Soft Power?

Soft Power is a **country’s ability to influence the preferences and behaviours of various actors in the international arena** (states, corporations, communities, publics etc.) through attraction or persuasion rather than coercion.

A defining feature of soft power is that **it is non-coercive**; the currency of soft power includes **culture, political values, and foreign policies**.

It is defined as a persuasive approach to international political relations, involving the use of a **nation’s cultural, historical and diplomatic influence**.



#### Hard Power Vs Soft Power

The term **Hard Power is defined as a coercive approach to international political relations**, one that involves the use of military and economic power to influence or control the behaviour or interests of other states or political groups.

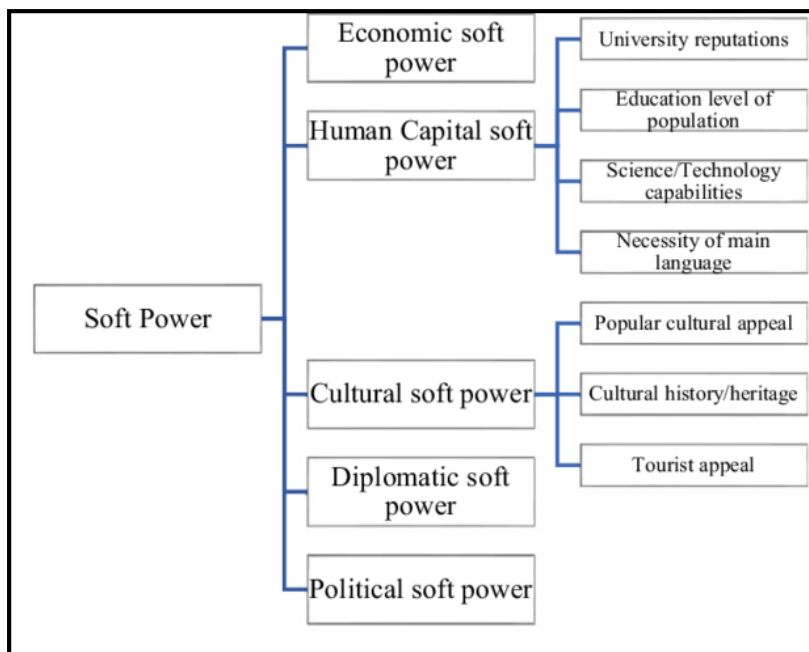
Thus, **states with a strong military and economic capacity will generally wield their influence** on states that are not so powerful in such capacities. According to Harvard political scientist Joseph Nye describes this term as **“the ability to use the carrots and sticks of economic and military might to make others follow your will.”** This means that stronger countries will exert influence on weaker states through the reduction of trade barriers, offering military security or any other beneficial offers (“carrots”). Likewise, they may also influence such countries through the use of threats such as imposing economic sanctions, trade restrictions, military intervention and use of force (“sticks”). The resounding theme of Hard Power is coercion.

Hard Power	Soft Power
Ability to change others' position by force or inducement	Ability to shape preferences of others by attraction
Military and economic power	Cultural Power
Coercion, force	Co-option, Influence
Absolute	Relative, context based
Tangible, easy to measure, predictable to certain degree	Intangible, hard to measure, unpredictable
Ownership specified	Unspecified, multiple sources
controlled by State or organizations	Mostly non-state actors, uncontrollable
External, action, push.	Internal, reaction/ response, pull
Direct, short-term, immediate effect	Indirect, long-term, delayed effect
Manifested in foreign policies	Communicated via nation branding

Soft Power, in contrast, represents a **subtle, persuasive approach to international relations** between states. States utilize Soft Power to **“attract and co-opt”** other states to desire what they desire. It **has the ability to influence the preferences and interests of other states**. This persuasive approach is applied through cultural, historical and/or diplomatic means.

### Genesis of the Concept of Soft Power

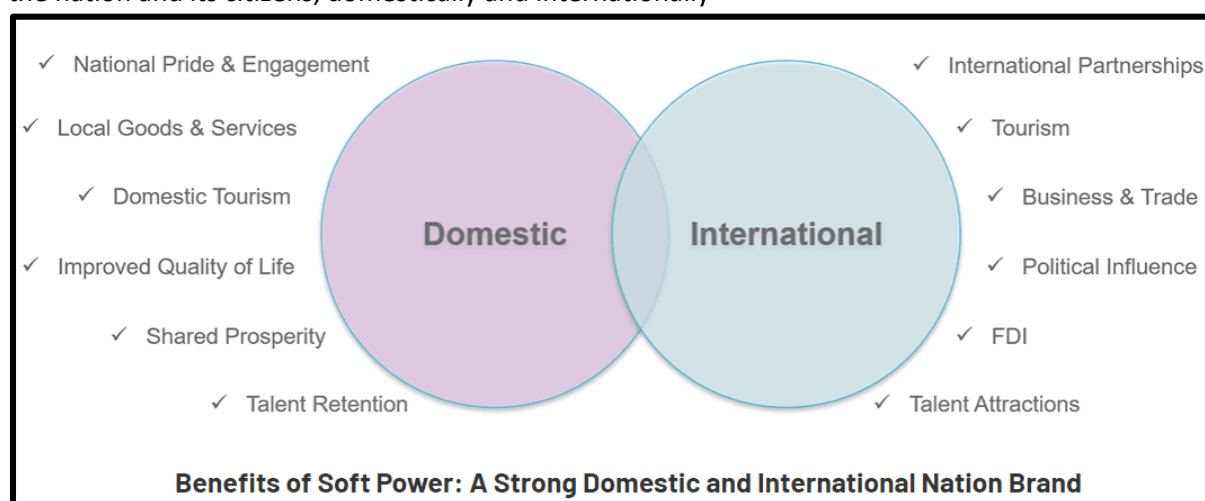
The concept of soft power was **introduced in the 1980s by Joseph Nye of Harvard University**. He further elaborated on it in his seminal book, *Soft Power: The Means to Success in World Politics*, in 2004. Essentially, what Nye stressed was that unlike hard power, such as defence capabilities which intimidate, and economic prowess which incentivizes profits, soft power succeeds by shaping the preferences of others through the more intangible tools of appeal and attraction. He didn't posit soft power against hard power. Countries, he argued, need both, as indeed India does too. **Soft power has emerged in the post-Cold War era as a crucial component of foreign policy.**



### Benefits of Soft Power & A Strong Nation Brand

Experts agree that soft power delivers all kinds of benefits for nations, their people, businesses, and organisations of all shapes and sizes. A strong nation brand and positive soft power perceptions **allow a nation to promote itself as a place for people to visit, invest in, and build a reputation for their quality of goods and services**. It also allows a country to rise in the esteem of its neighbours, market its resources and compose the face it presents on the international stage.

However, it is often overlooked that a strong nation brand and soft power can deliver better outcomes at home. Primarily it **encourages domestic tourism, the consumption of domestic goods and services (rather than imports)**. Less tangibly it also just makes people feel better about their country. The benefits are extensive, for both the nation and its citizens, domestically and internationally



### Tracing the roots of India's Soft Power

During his invasion of India in the 4th century BCE, Alexander the Great had an amazing interaction with some Jain philosophers. According to Arrian, the conqueror's biographer, **Alexander asked the sages why they were not being suitably deferential to him.**

In response he received the following reply, also quoted by Amartya Sen in his book, *The Argumentative Indian*. 'King Alexander, every man can possess only so much of the earth's surface as this we are standing on. You



are human like the rest of us, save that you are always busy and up to no good, traveling so many miles from your home, a nuisance to yourself and to others! ... You will soon be dead, and then **you will own just as much of the earth as will suffice to bury you.**'

The Jain thinkers may not have known it, but **in that reply, they laid the foundations of India's enduring soft power.** To give such a fearless reply to the mighty Alexander, unafraid of the consequences, was a blow for the courage of conviction, the cerebral insouciance, and the freedom of expression that we've always valued.

### The Historical and Modern Context of India's Soft Power

- **Historical Soft Power:** India's ancient civilization has influenced cultures worldwide and embraced ideas from various cultures, including Islamic and European. It's known for religious freedom, with a long history of Jewish, Christian, and Muslim communities.
- **Cultural Influence:** India's spiritual, artistic, and cultural impact, rooted in Hinduism, Buddhism, and a quest for knowledge, has a global reach, from the spread of Buddhism to Gandhi's message of nonviolence.
- **Modern Soft Power:** India's modern soft power is built on culture and democratic values. It's respected for its democratic principles, openness, religious diversity, and freedom of expression.
- **Pluralism and Democracy:** India's appeal lies in its status as the world's largest practicing democracy, promoting pluralism in religion, society, politics, and economics.
- **Cultural Exports:** Indian cinema and gastronomy, among others, serve as significant cultural exports. Indian culture is a source of admiration and aspiration globally.
- **Cultural Diplomacy:** India's cultural assets, such as Yoga, Ayurveda, literature, arts, and cuisine, can foster cross-cultural cooperation and mutual learning.
- **Global Contributions:** India addresses global challenges through initiatives like the International Solar Alliance, humanitarian aid, and UN Peacekeeping forces participation. It contributes to global well-being.
- **Good Country Index:** India ranks 44th out of 160 countries in the Good Country Index, reflecting its multilateral engagement and contributions to global challenges.
- **Positive Perceptions:** Active global involvement attracts foreign investment and visitors, enhancing India's soft power and reputation worldwide.
- **Shashi Tharoor's Perspective:** India utilizes its rich cultural traditions, Bollywood, yoga, Ayurvedic medicine, heritage tourism, and cuisine to practice soft power diplomacy. It's admired for education, political pluralism, and religious diversity.

### Assets of India's Soft Power:

#### Indian Cinema:

- Bollywood, the **world's largest film producer**, has a **global reach**.
- Indian films are popular in **Afghanistan, Pakistan, Central Asia, the Middle East, and Southeast Asia**.
- Bollywood stars like **Raj Kapoor** acted as cultural bridges during the **Cold War**, making Indian cinema famous in the **Soviet Union**.

#### Dance and Music:

- Indian cultural elements like **dance, music**, and drama boost India's soft power.
- Organizations like **Bollywood America** promote South Asian culture globally.
- Indian actors increasingly participate in **Hollywood** productions.

#### Gastronomy:

- Indian cuisine, known for its **spices**, gains popularity worldwide.
- Indian food is a major success story in the **UK** and generates **billions in revenue**.

#### Sport:

- **Cricket** serves as a source of soft power, reducing tensions and facilitating diplomacy, such as "**cricket diplomacy**" between India and Pakistan.

### Religion, Culture, and Spiritualism:

- **Yoga**, recognized by the UN as **World Yoga Day**, promotes India's image as a **peaceful nation**.
- **Buddhism**, originating in India, aids strategic and economic foreign policy goals.
- India's **religious tolerance** and pluralism project it as a **peaceful and tolerant nation**.

### The Indian Diaspora:

- The **Indian diaspora** plays a vital role in improving Indo-US relations and shaping the image of India in the **United States**.
- Indian diaspora's contributions in fields like **Information Technology** enhance India's global reputation.

### Epics and Culture:

- India's ancient **epics** and **Sanskrit tradition** enrich its soft power.
- India's culture promotes **universal values** and **inclusivity**.

### Science:

- Indian mathematicians and scientists, known for excellence, bridge science and **spirituality**.
- Notable figures like **Srinivasa Ramanujan** exemplify the connection between science and religion in Indian culture.

### Mahatma Gandhi:

- **Mahatma Gandhi's principles** of truth and non-violence inspired freedom fighters globally.
- Gandhi's **universal principles** are inherent in the **moral fabric** of the universe.

### Yoga:

- **Yoga**, implying **union with the divine**, is a prominent soft power asset.
- **International Yoga Day**, recognized by the UN, raises global awareness about yoga's benefits.
- Yoga is explored for promoting **peace in conflict situations**.

### Ayurveda:

- **Ayurveda**, the "**science of life**," is an ancient Indian practice gaining popularity worldwide.
- Ayurveda is often associated with yoga and has a significant presence in the **United States**.
- Organizations like **AAPNA** aim to integrate Ayurveda into **Western medicine**.

### Limitations in growth of India's Soft Power

Despite being the largest democracy and having a rich culture, India was **plagued by impoverishment, missing out on positive associations, coupled with lack of investment in cultural diplomacy, a reputation of deep-rooted corruption, hostile business environment, red tapism, lack of infrastructure and severe pollution in urban areas**. As a result, India was missing out on its due place on the high table at the world forums with limited sphere of influence which was not in synch with its global aspirations. Benign, nonaggressive impressions along with inability of the Indian state to be effectively governed and to deliver a quality life to its citizens has had an adverse impact on the national image.

According to **Portland's 'soft power 30'**, India doesn't even make the top 30 countries that excel in this sphere.

## Threats and Challenges



### Manifestations of India's Soft Power:

#### Historical Examples:

- In the 1950s, India received significant aid from both the **United States** and **Soviet Union**, leading to key developments like the **Indian Institutes of Technology** and the **Green Revolution**.
- India's moral stance during the Cold War, exemplified by providing refuge to the **Dalai Lama**, won respect and support.
- India's principled **boycott of South Africa** over apartheid policies gained international approval.
- In 1971, India's cultural appeal, with support from figures like **George Harrison**, aided its intervention in East Pakistan, leading to the creation of Bangladesh.

#### Post-Cold War Soft Power:

- India's growing economy and democratic values attracted the attention of **ASEAN** in the 1990s.
- The **U.S. waiver from nuclear sanctions** recognized India as a de facto nuclear power.
- India's soft power is sought by neighboring countries for assistance in areas like **elections, constitution drafting, and welfare schemes**.

#### Innovations in Soft Power:

- India's government has been innovative in using soft power assets like **Diaspora, Yoga, Buddhism, and economic support** for diplomatic successes.
- The **Ministry of External Affairs (MEA)** promotes a "soft power matrix" to measure effectiveness.
- Initiatives like '**Destination India**' and '**Know India**' have been launched.
- India's soft power is used for '**Namaste diplomacy**' and '**Medical diplomacy**' post-COVID-19.
- India's space achievements, like launching the **South Asia Satellite**, extend soft power influence.

#### India's Rising Influence:

- India's status as the **world's largest democracy**, combined with its culture, values, and economic might, positions it as an emerging global power.
- Recommendations include promoting the study of **Sanskrit**, opening **Comparative Religion departments**, and enhancing archaeological research.
- Recent parliamentary panel recommendations focus on developing **objective metrics**, increasing synergy among ministries, enhancing **tourism offices**, and revamping the Indian Council of Cultural Relations (ICCR).

## Integrated Approach:

- An integrated approach to soft power includes involvement from **artists, entrepreneurs, academics, policymakers, and civil society.**
- **Namaste 2020: Global Utsava of Indian Soft Power** exemplifies this approach.
- Balance between soft and hard power is crucial, and India's ability to capitalize on its soft power assets is essential for its global position as a soft power superpower in the 21st century.

## 54. INDIAN DIASPORA:

Recently, the Prime Minister **inaugurated the 17<sup>th</sup> Pravasi Bharatiya Diwas convention** in Madhya Pradesh on the occasion of Pravasi Bhartiya Diwas (PBD).

- Over the years, the convention, which began in 2003, **has grown in size and scope, particularly since 2015, when the yearly convention became a biennial affair.**

### What is Diaspora?

#### ▪ Origin:

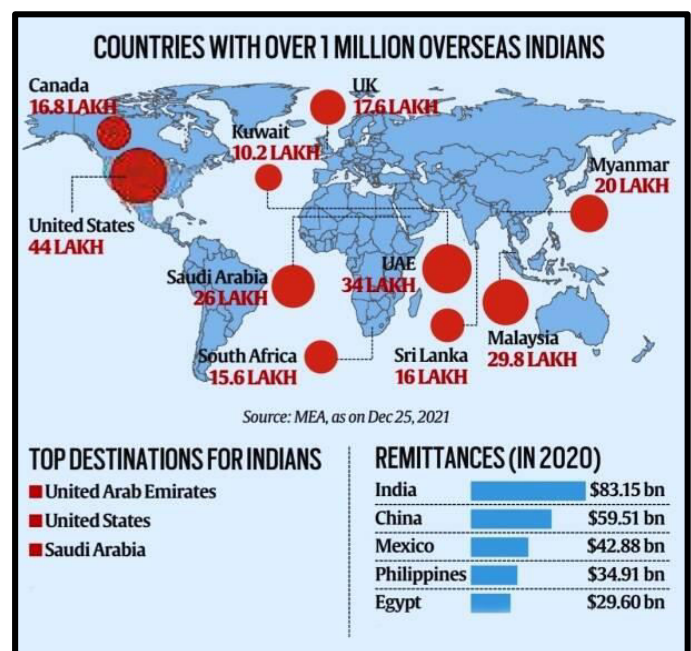
- The term diaspora **traces its roots to the Greek diaspeiro, which means dispersion.** The **Indian diaspora** has grown manifold since the first batch of Indians **were taken to counties in the eastern pacific and the Caribbean islands under the 'Girmitiya' arrangement** as indentured labourers.

#### ▪ Classifications:

- **Non-Resident Indians (NRI):** NRIs are Indians who are residents of foreign countries. A person is considered NRI if:
  - She/he is **not in India for 182 days or more** during the financial year Or;
  - If he/she is **in India for less than 365 days** during the 4 years preceding that year and less than 60 days in that year.
- **Persons of Indian Origin (PIOs):** PIO refers to a foreign citizen (except a national of Pakistan, Afghanistan, Bangladesh, China, Iran, Bhutan, Sri Lanka and Nepal) who:
  - At any time held an Indian passport, or who or either of their parents/ grandparents/great grandparents **was born and permanently resided in India** as defined in the **Government of India Act, 1935 or who is a spouse of a citizen of India or a PIO.**
  - The PIO category **was abolished in 2015 and merged with the OCI category.**
- **Overseas Citizens of India (OCIs):** A separate category of OCI was **carved out in 2005.** An OCI card was given to a foreign national:
  - Who was eligible to be a citizen of India on January 26, 1950
  - Was a citizen of India on or at any time after January 26, 1950 or belonged to a territory that became part of India after August 15, 1947.
  - Minor children of such individuals, **except those who were a citizen of Pakistan or Bangladesh,** were also eligible for OCI cards.

#### ▪ Geographical Spread:

- According to the **World Migration Report, 2022, India has the largest emigrant population in the world in 2020, making it the top origin country globally, followed by Mexico, Russian and China.**
- The data shared by the government in Parliament in 2022 showed that the **geographical spread of the Indian diaspora is vast. The countries with over 10 lakh overseas Indians include:**
  - United States of America, the United Kingdom, United Arab Emirates, Sri Lanka, South Africa,



Saudi Arabia, Myanmar, Malaysia, Kuwait and Canada.

▪ **Remittances:**

- According to the **World Bank Migration and Development Brief, released in 2022, for the first time a single country, India, is on track to receive more than USD 100 billion in yearly remittances.**
- The World Migration Report notes that India, China, Mexico, the Philippines and Egypt are (in descending order) **among the top five remittance recipient countries.**

**What is the Significance of the Indian Diaspora?**

- **Enhancing India's Soft Power:** Indian diaspora is one of the richest minorities in many developed countries. Their advantage is evident in “**diaspora diplomacy**”, whereby **they act as “bridge-builders” between their home and adopted countries.**
  - The Indian diaspora is not just a part of India's soft power, **but a fully transferable political vote bank as well.**
  - Also, many people of Indian origin hold **top political positions in many countries**, which enhances India's political clout at multilateral institutions like the United Nations.
- **Economic Contribution:** Remittances sent by the Indian diaspora have positive systemic **effects on the Balance of Payments (BOP)**, which help to bridge a wider trade deficit.
  - The migration of less-skilled labor (especially to West Asia) has **helped in bringing down disguised unemployment in India.**
  - Further, the **migrant workers facilitated the flow of tacit information**, commercial and business ideas, and technologies into India.

## 55. COMMON SECURITY:

Recently, Palme International Center, International Peace Bureau (IPB) and International Trade Union Confederation (ITUC) released a report on Common Security 2022.

**What is the concept of Common security?**

- Common security is a notion based on the assumption that no nation, community or individual can be secure without other nations, communities and individuals enjoying the same level of security.
  - Any conflict in one part of the world has cascading effects on the people of another.
  - The effect can be seen in the Ukraine or Afghanistan conflict on other developing countries, particularly, on the supply of food grains, fertiliser and fuel.
- The concept of common security goes beyond the narrow traditional and realist approach to security.
  - The traditional idea of security was the protection or defence of states against external threats or attacks.
  - While the notion of common security is about non-violent approaches to the universal need to be secure.

**Risks to common security in the current era**

- **Challenges to Multilateralism in a Multipolar World:** Respect for the core principles of international humanitarian law and rulesbased system is increasingly under threat, as witnessed in recent conflicts such as Iraq, Palestine/Israel, Yemen, Syria, and Ukraine.
- **Militarisation:** Massive investments in faster, more lethal nuclear weapons, coupled with increasing tensions between nuclear-armed states and new technological developments.
  - The Korean peninsula represents one area of particular concern, where nuclear tensions remain high and there is increasing militarisation.
- **Authoritarian Regimes-Shrinking Democratic Space:** The past 15 years have seen a growing democracy gap, with a consistent expansion of authoritarian rule and a decline in major democracies.
- **Global Warming and the Climate Crisis:** Of the 15 countries facing the worst ecological threats in the world, 11 are currently in conflict.
- **Inequality:** Nearly half of the world's population survives on less than \$5.50 a day.
  - Rising income inequality leads to increasingly polarised politics, and the ascendance of populism and nationalism which may spiral into violence and war.

- **Current and Future Pandemics:** Underfunded health services and social protection systems, coupled with growing health inequality, prevented vaccine equity exposed the weakness in recent pandemic preparedness, and prevention and highlights vulnerabilities for future pandemics.

#### Ways to achieve common security

- **Strengthen global architecture for peace**
  - Encouraging regional bodies, such as SAARC, the Gulf Cooperation Council, Association of Southeast Asian Nations (ASEAN) and the African Union to develop frameworks that incorporate the principles of common security.
  - Immediate resumption of strategic stability talks between the USA and Russia and the resumption of strategic dialogue between the USA and China.
  - Integrating climate-related security risks into United Nations conflict-prevention strategies.
- **Linking disarmament with development:** Finding innovative ways to utilise nuclear equipment and expertise for peaceful purposes and to support the transition of military personnel to non-military professions – the idea of “transforming weapons into windfarms”. This entails:
  - Reduction in military spending to generate a ‘global peace dividend’ to fund the UN Sustainable Development Goals, UN peacebuilding, and a just transition to climate friendly jobs.
- **Revitalised Nuclear Arms Control and Disarmament**
  - Reinstate arms control treaties, particularly regarding nuclear weapons and their delivery systems, for example the Intermediate-Range Nuclear Forces Treaty (INF).
  - States that carried out nuclear testing must provide immediate victim assistance and environmental remediation, particularly to indigenous communities.
- **Regulation of New Military Technologies and Outer Space Weapons**
  - Ban cyber-attacks on nuclear command and control systems, accompanied by a disentanglement of conventional and nuclear weapon command and control systems.
  - Prohibit autonomous weapons systems, to ensure that humans keep control over weapons and armed conflict.
  - Strengthen the Outer Space Treaty and establish a new culture of responsible space governance to prevent further militarisation of the domain.
- **Engage and involve civil society:** Civil society must act as a watchdog, a motivating force, and a counterweight to political posturing – with the support of the verification and trust-building measures included in existing and new treaties.

## 56. GEOPOLITICS OF FOOD SECURITY:

Experts are of the view that the world is moving towards an unprecedented time amid Russia Ukraine war as global food prices are skyrocketing and affecting countries across the world.

#### About Food security

- According to Food and Agriculture Organisation of the UN food security refers to ‘a situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life’.
- Such food insecurity represents a political failure as global food production has long surpassed the level necessarily to keep all people fed. The global food crises have also served to entrench the idea of food as an object of strategic national importance.
- Currently, World Food Program, International Fund for Agricultural Development, FAO and World Bank are key institutions working towards strengthening global food supply.

#### Impact of Geopolitics on Food Security

Geopolitics has a more prominent impact across a range of areas that directly affect food security as given in the following table.

Factors	Threats to food security
Compulsion to	<ul style="list-style-type: none"> <li>• Strategic nodes or chokepoints of the global food system remains vulnerable to politically</li> </ul>



Trade	<p>motivated restrictions</p> <ul style="list-style-type: none"> <li>• Economic unilateralism and protectionism and trade war have accelerated</li> <li>• Geopolitical frictions also make reform to multilateral institutions like WTO difficult. For, example the failure of the WTO's Doha Development Round of trade talks</li> </ul>
Armed conflict	<ul style="list-style-type: none"> <li>• Disrupts agricultural production, trade, transport and access and humanitarian aid</li> <li>• Armed conflicts and concomitant social unrest could lead to geopolitical repercussions. Example, Arab Spring of 2010–11</li> </ul>
Competition for natural resources	<ul style="list-style-type: none"> <li>• Green grabbing: It refers to trade-offs between environmental sustainability and food security that happens due to production of biofuels</li> <li>• Resource grabbing: China is the largest supplier of phosphorous (essential in fertilizers) despite having only 5% of the reserves rendering importing countries like India vulnerable to supply shock during adverse geopolitical events</li> </ul>
Climate change	<ul style="list-style-type: none"> <li>• Food insecurity is currently concentrated in developing countries in low latitudes which are more vulnerable to climate change</li> </ul>

### Way ahead

- **Insulating food forum from geopolitics:** Dedicated forums for multi-stakeholder dialogue, coordination and cooperation on world hunger need to be protected from the spill over of geopolitics.
- **Shifting models of global governance:** Diversify the governance system by including non-state and market-based organizations, to establish new interest coalitions and partnerships that can potentially bypass interstate rivalries and zero-sum logic.
- **Maintaining open trade:** Allow food to flow from surplus areas to those in need by urgently phasing out export bans imposed by major food producers.
  - Increasing trade financing and reinforcing supply chains is vital to addressing the food price shocks.
- **Intensify efforts to recycle nutrients:** Step towards regenerative agriculture and nature-positive solutions needs to be taken for reducing dependency on a few countries.
- **Increase productivity in developing countries:** This will bridge the geographical yield gap and strengthen their resilience against any global shock to food supply.
- **Climate resilience:** Investing in climate-resilient agriculture with a focus on low-cost, high-impact measures, such as: Investing in new crop varieties, Improving water management and Information dissemination.

## 57. GEOPOLITICS OF TECHNOLOGY:

Splinternet, the balkanisation of the internet, digital sovereignty, and data localisation are some of the more popular terms that have come to define the debate on the future of data, and, more broadly, on the future of technology. The argument boils down to the different ways in which governments and transnational organisations (such as EU) choose to access, use, and allow data to flow across borders.

### Different Types of Digital Markets

- **Digital authoritarianists:** Countries that have closed their data markets to external actors — such as China — are commonly referred to as digital authoritarianists.
- **Digital democracies:** Those that are guided by judicial standards, the rule of law, and support the freer — but not always free — movement of data have come to be known as digital democracies.

### Digital Geopolitics and Data Diplomacy

- The political, ideological, and economic tensions between, and within, various categories of actors shape what might be called the geopolitics of technology
- This form of geopolitics is as much about competing domestic regulations, the renewed focus on anti-trust laws, and domestic standards on privacy legislations, as it is about international affairs.
- Greater cooperation on Artificial Intelligence (AI) or blockchain technologies, between entities in different countries, requires mediation and cooperation across borders. This is a matter of **data diplomacy**.
- At least 14 countries have appointed negotiators to shape data diplomacy.



- Designations such as tech ambassador, ambassador of innovations, ambassador for digital affairs, and ambassador for cyber diplomacy are becoming increasingly common.

### **Huge Potential in India**

- **Largest Digital Democracy:** All data economies want to deal with India as it the largest open data market in the world. Close to 600 million Indians currently use 4G data.
- **Increasing Data Consumption:** India also has the highest per capita consumption of data (above 10 GB per month) anywhere in the world.

### **Challenges for India**

- **Question of Data Openness:** A lot will depend on the kind of digital democracy that India aspires to be. How open or closed will it be to the movement of data across its borders, is the moot question for the fast-growing number of global “tech ambassadors”. To an extent, the question of data openness will be resolved as India’s Personal Data Protection Bill (PDPB) becomes a law, potentially in 2021.
- **Clarity on India’s Objectives:** India needs to consider what exactly it wants out of the fast-changing geopolitics around technology that goes beyond banning Chinese apps. India’s evolving domestic data architecture should support its international interests, with the clear view to benefit from the same
- **Balancing Act:** The aim of India’s Data Policy must be to negotiate its weight in data and find the right balance for India’s future between localisation and internationalisation. This balancing act has much to do with conceptualising a centralising vision, as well as with administrative organisation.

### **Way Forward**

- To start with, the government could consider appointing its own coordinator for technology.
- The aim should not be to add to the bean count of global tech ambassadors, but to appoint at least a minister of state-ranked individual to synthesise India’s pulsating story with the view to effectively shape the geopolitics of technology.